



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: September 2, 2009

Time: 7:00 p.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

***NOTE:** All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.*

C-1 Call to Order / Roll Call – N/A

C-2 Announcement of Closed Session – N/A

C-3 Adjourn to Closed Session – N/A

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action – N/A

A. Call to Order / Roll call

B. Invocation – Barbara Taylor, Lodi Police Chaplain

C. Pledge of Allegiance

D. Presentations

D-1 Awards – None

D-2 Proclamations – None

D-3 Presentations – None

E. Consent Calendar (Reading; Comments by the Public; Council Action)

E-1 Receive Register of Claims in the Amount of \$5,886,101.41 (FIN)

E-2 Approve Minutes (CLK)

a) August 18, 2009 (Shirtsleeve Session)

b) August 19, 2009 (Regular Meeting)

c) August 25, 2009 (Shirtsleeve Session)

E-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Hale Park, 209 East Locust Street, and Blakely Park, 1050 South Stockton Street, Playground Surfacing Improvements (PR)

E-4 Approve Plans and Specifications and Authorize Advertisement for Bids for DeBenedetti Park (G-Basin) Storm Drain Improvements (PW)

Res. E-5 Adopt Resolution Rejecting Bid for Installation, Maintenance, and Monitoring Services of Surveillance Camera System and Accessories in McLane, Killelea, and Industrial Substations (EUD)

Res. E-6 Adopt Resolution Awarding Contract for Traffic Stripes for Various City Streets 2009 to Chrisp Company, of Fremont (\$22,960) (PW)

Res. E-7 Adopt Resolution Authorizing the City Manager to Execute an Agreement to Withdraw Lodi from the Western GeoPower Inc. Renewable Energy Power Purchase Agreement (EUD)

- Res. E-8 Adopt Resolution of Vacation of Surplus Portion of Loma Drive Lying Adjacent to Parcel Located at 1310 West Turner Road and Authorize the City Manager to Execute Agreement to Exchange the Vacated Right-of-Way for Public Improvements (PW)
- E-9 Appoint Electric Utility Director to Northern California Power Agency and Transmission Agency of Northern California (CLK)
- E-10 Set Public Hearing for September 16, 2009, to Consider the Reallocation of Available Urban County Community Development Block Grant and HOME Program Funding (CD)

F. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

G. Comments by the City Council Members on Non-Agenda Items

H. Comments by the City Manager on Non-Agenda Items

I. Public Hearings

- Res. I-1 Public Hearing to Consider Adoption of Resolution Levying Annual (2010) Assessment for Downtown Lodi Business Improvement Area No. 1 and Confirming the Downtown Lodi Business Partnership 2009-10 Annual Report (as Approved by Council on August 19, 2009) (CM)

NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31

J. Communications

- J-1 Claims Filed Against the City of Lodi – None
- J-2 Appointments – None
- J-3 Miscellaneous – None

K. Regular Calendar

- K-1 Consider Authorizing the City Manager to Enter into Memorandum of Understanding between Northern California Power Agency and the City of Lodi Regarding the Lease, Development, and Cleanup of the Lodi Energy Center Site (CA)
- Res. K-2 Adopt Resolution Amending the Bylaws for the Lodi Improvement Committee to Reduce the Membership of the Committee from Nine to Seven (CD)
- Res. K-3 Adopt Resolution Approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2008-09 (PW)
- Res. K-4 Adopt Resolution Approving City of Lodi's Sewer System Management Plan and Approving Staffing Additions (PW)

L. Ordinances – None

M. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl, City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated August 6 and August 13, 2009 in the Total Amount of \$5,886,101.41

MEETING DATE: September 2, 2009

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$5,886,101.41.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$5,886,101.41 dated 08/06/09 and 08/13/09. Also attached is Payroll in the amount of \$1,259,949.48.

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Blair King, City Manager

Accounts Payable
Council Report

Page
Date
Amount

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- 08/17/09

As of Thursday	Fund	Name	
08/06/09	00100	General Fund	700,246.65
	00160	Electric Utility Fund	3,615,842.94
	00161	Utility Outlay Reserve Fund	5,810.34
	00164	Public Benefits Fund	1,458.96
	00166	Solar Surcharge Fund	13,174.20
	00170	Waste Water Utility Fund	5,506.60
	00171	Waste Wtr Util-Capital Outlay	3,546.00
	00173	IMF Wastewater Facilities	741.88
	00180	Water Utility Fund	3,119.39
	00182	IMF Water Facilities	741.88
	00210	Library Fund	371.67
	00260	Internal Service/Equip Maint	12,983.22
	00270	Employee Benefits	12,096.37
	00300	General Liabilities	188.46
	00301	Other Insurance	16,221.00
	00310	Worker's Comp Insurance	30,000.00
	00321	Gas Tax	1,290.59
	00326	IMF Storm Facilities	741.87
	00332	IMF (Regional) Streets	741.87
	00340	Comm Dev Special Rev Fund	1,653.28
	00345	Community Center	4,191.30
	00346	Recreation Fund	3,076.13
	01211	Capital Outlay/General Fund	1,316.17
	01250	Dial-a-Ride/Transportation	8,314.20
	01410	Expendable Trust	44.58-

Sum			4,443,330.39

Total for Week			
Sum			4,443,330.39

Accounts Payable
Council Report

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As of Thursday	Fund	Name	
08/13/09	00100	General Fund	224,079.46
	00123	Info Systems Replacement Fund	1,940.12
	00160	Electric Utility Fund	33,639.33
	00161	Utility Outlay Reserve Fund	2,427.24
	00164	Public Benefits Fund	2,011.65
	00166	Solar Surcharge Fund	10,225.80-
	00170	Waste Water Utility Fund	14,982.23
	00171	Waste Wtr Util-Capital Outlay	990.79
	00172	Waste Water Capital Reserve	57,579.77
	00173	IMF Wastewater Facilities	15,177.33
	00180	Water Utility Fund	203,947.12
	00181	Water Utility-Capital Outlay	95,727.80
	00182	IMF Water Facilities	1,657.60
	00210	Library Fund	2,865.58
	00211	Library Capital Account	10,821.02
	00234	Local Law Enforce Block Grant	1,699.98
	00235	LPD-Public Safety Prog AB 1913	61.22
	00260	Internal Service/Equip Maint	24,167.89
	00270	Employee Benefits	22,811.15
	00301	Other Insurance	198,198.00
	00321	Gas Tax	11,489.65
	00325	Measure K Funds	11,132.74
	00326	IMF Storm Facilities	241,657.15
	00340	Comm Dev Special Rev Fund	2,331.35
	00345	Community Center	18,399.05
	00346	Recreation Fund	2,956.96
	01211	Capital Outlay/General Fund	267.87
	01212	Parks & Rec Capital	4.70
	01250	Dial-a-Ride/Transportation	170,868.27
	01410	Expendable Trust	79,059.66
Sum			1,442,726.88
	00190	Central Plume	44.14
Sum			44.14
Total for Week			
Sum			1,442,771.02

Council Report for Payroll

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08/17/09

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	07/26/09	00100	General Fund	774,034.01
		00160	Electric Utility Fund	158,747.29
		00164	Public Benefits Fund	7,246.31
		00170	Waste Water Utility Fund	91,970.30
		00180	Water Utility Fund	1,751.67
		00210	Library Fund	29,996.18
		00235	LPD-Public Safety Prog AB 1913	1,646.55
		00260	Internal Service/Equip Maint	21,796.55
		00321	Gas Tax	48,133.06
		00340	Comm Dev Special Rev Fund	27,332.07
		00345	Community Center	27,442.29
		00346	Recreation Fund	63,113.10
		01250	Dial-a-Ride/Transportation	6,740.10
Pay Period Total:				
Sum				1,259,949.48



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes
a) August 18, 2009 (Shirtsleeve Session)
b) August 19, 2009 (Regular Meeting)
c) August 25, 2009 (Shirtsleeve Session)

MEETING DATE: September 2, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) August 18, 2009 (Shirtsleeve Session)
b) August 19, 2009 (Regular Meeting)
c) August 25, 2009 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A through C.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

Attachments

APPROVED: _____
Blair King, City Manager

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, AUGUST 18, 2009**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 18, 2009, commencing at 7:02 a.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Electric Utility Presentation on Solar Photovoltaic Technology (EUD)

City Manager King briefly introduced the subject matter of the solar energy report.

Electric Utility Director George Morrow provided a PowerPoint presentation regarding the solar energy report. Specific topics of discussion included solar concentrating, solar photovoltaic, solar thermal "trough," sterling system, solar tower, photovoltaic history, how photovoltaic works, simple photovoltaic schematic, solar potential, photovoltaic growth, solar economics, "high gain" photovoltaic, renewable standards, California Energy Commission eligible renewables, solar in Lodi today, photovoltaic demonstration, proposals, proposed photovoltaic site near White Slough, community benefits, grapes and photovoltaic, project evaluation factors, and summary of solar energy possibilities for the City.

In response to Mayor Hansen, Mr. Morrow stated Sacramento Municipal Utility District did its project near Rancho Seco several years ago and it probably started as a demonstration of sorts.

In response to Mayor Hansen, Mr. Morrow stated concerns to surrounding property owners for reflection and aesthetics and issues of the site being along the freeway are minimal based on experts who have reviewed the proposed site.

In response to Council Member Hitchcock, Mr. Morrow stated generally these types of projects are done by private parties from the outside who provide turnkey products and take care of the permitting and operations themselves. Mr. Morrow stated the process would include request for proposals, evaluation of bids and award, a consultant is not involved at this point to evaluate bids as staff should be able to evaluate the incoming bids, the City only pays if it gets electricity which serves as the incentive for the developer to construct a good project, and it is anticipated that the City should receive a good amount of interest in the proposed project.

In response to Council Member Mounce, Mr. Morrow stated at the end of the 25-year term of the agreement, if the City has not purchased the project, the developer would need to remove everything and return the site to the original condition. Mr. Morrow stated the cost of purchasing the project is based on what the market value is at the time of sale. Mr. King stated the option to purchase is seen as a benefit to the City because it can purchase the project dependent upon what the given price is at the time of purchase. Mr. King stated prices also vary depending upon how much energy is purchased.

In response to Mayor Pro Tempore Katzakian, Mr. Morrow stated the life span of a similar

project is averaging 25 years, although some projects have certain elements that can be replaced because technology is advancing so quickly.

In response to Council Member Mounce, Mr. Morrow stated he will research and provide a ball park figure purchase price for the proposed project by the next City Council meeting in the event that the City should desire to purchase the project in five years.

In response to Council Member Johnson, Mr. Morrow stated the City is party to the green pool for Northern California Power Agency (NCPA), research is continuing into those options, and the proposed project for the City is too small for NCPA.

Discussion ensued between Mayor Hansen, Mr. King, and Mr. Morrow regarding solar projects in differing agencies and communities and the ongoing efforts to continue incorporating additional solar energy into the communities.

In response to Mayor Hansen, Mr. Morrow stated the flat panel technology works in creating energy with both direct and indirect sunlight, while high efficiency solar rays generally use focusing technology through panels.

In response to Mayor Hansen, Mr. Morrow stated State law created some solar requirements through Senate Bill 1, which also includes a rebate program. Mr. Morrow stated by 2012 buyers will have an option to include solar energy in their newly developed homes, although Roseville may have some new construction requirements for solar already because it has made significant investment and progress in the area of solar energy.

In response to Mayor Hansen, Mr. Morrow stated that, while some thought has been given to wind energy, there does not appear to be enough wind geographically in the area to sustain long-term wind energy generation.

In response to Mayor Hansen, Interim Community Development Director Rad Bartlam stated that, while there has been some interest locally in residential windmills, the idea is not prevalent due to the suggestion that a large pole and windmill be placed in the front of a home.

In response to Mayor Hansen, Mr. Morrow stated NCPA and the City, as a member of NCPA, continue to look at wind at the geothermal site and toward the northwest areas.

In response to Mayor Hansen, Mr. Morrow stated the long-term issue of concern is solar and wind storage, which continues to evolve.

In response to Council Member Johnson, Mr. Morrow stated the proposed project will take approximately two acres near the White Slough facility.

In response to Council Member Johnson, Mr. Morrow stated the proposed project will be a relatively small part of the energy usage for White Slough, although there may be potential for more in the future.

Myrna Wetzel spoke in favor of the proposed solar energy project, stating she is generally in favor of the City utilizing solar energy.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:56 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, AUGUST 19, 2009**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of August 19, 2009, was called to order by Mayor Hansen at 6:00 p.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

C-2 Announcement of Closed Session

- a) Exposure to Litigation: Government Code §54956.9(b); One case: Exposure to Litigation from California's Investor Owned Utilities (SCE, PG&E, and SDG&E) against City of Lodi Based on the Market Disruptions Associated with the Electric Utility Deregulation Crisis of 2000-2001
- b) Prospective Lease of a Portion of 218 West Pine Street and 211 Oak Street, Lodi; the Negotiating Parties are the City of Lodi, Odd Fellows Hall Association of Lodi, and Beckman Capitol Corporation for Placement of Environmental Cleanup Equipment; Price and Terms are under Negotiation; Government Code §54956.8

C-3 Adjourn to Closed Session

At 6:00 p.m., Mayor Hansen adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 7:00 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:06 p.m., Mayor Hansen reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Items C-2 (a) and C-2 (b) were discussion and direction only.

A. Call to Order / Roll call

The Regular City Council meeting of August 19, 2009, was called to order by Mayor Hansen at 7:06 p.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Invocation - Pastor Mark Price, St. Paul Lutheran Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards - None

D-2 Proclamations - None

D-3 Presentations - None

E. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Hitchcock made a motion, second by Mayor Pro Tempore Katzakian, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

E-1 Receive Register of Claims in the Amount of \$1,834,797.83 (FIN)

Claims were approved in the amount of \$1,834,797.83.

E-2 Approve Minutes (CLK)

The minutes of August 4, 2009 (Shirtsleeve Session), August 5, 2009 (Regular Meeting), August 11, 2009 (Shirtsleeve Session), and August 11, 2009 (Special Meeting) were approved as written.

E-3 Accept Memorial Bench and Plaque Donation from Lisa and Pett Saiprasert in Honor of Chad Ehrhart (PR)

Accepted the memorial bench and plaque donation from Lisa and Pett Saiprasert in honor of Chad Ehrhart.

E-4 Adopt Resolution Awarding Contract for Tree Trimming (Power Line Clearing) to Asplundh Tree Expert Company, of Stockton, CA (\$326,700) (EUD)

Adopted Resolution No. 2009-112 awarding the contract for Tree Trimming (Power Line Clearing) to Asplundh Tree Expert Company, of Stockton, CA, in the amount of \$326,700.

E-5 Adopt Resolution Authorizing the City Manager to Sign the Agreement for Hazardous Materials Team within San Joaquin County (FD)

Adopted Resolution No. 2009-113 authorizing the City Manager to sign the agreement for Hazardous Materials Team within San Joaquin County.

E-6 Approve Memorandum of Understanding between Visit Lodi! Conference and Visitors Bureau and the City of Lodi and Authorize the City Manager to Execute the Agreement on Behalf of the City of Lodi (CM)

Approved the Memorandum of Understanding between Visit Lodi! Conference and Visitors Bureau and the City of Lodi and authorized the City Manager to execute the agreement on behalf

of the City of Lodi.

E-7 Adopt Resolution Authorizing the City of Lodi's Participation in an Interlocal Agreement Regarding the 2009 Edward Byrne Memorial Justice Assistance Grant and Authorizing the City Manager to Execute the Agreement on Behalf of the City of Lodi (PD)

Adopted Resolution No. 2009-114 authorizing the City of Lodi's participation in an Interlocal Agreement between the County of San Joaquin and the cities of Lodi, Stockton, Manteca, and Tracy regarding the 2009 Edward Byrne Memorial Justice Assistance Grant and authorizing the City Manager to execute the agreement on behalf of the City of Lodi.

E-8 Adopt Resolution Authorizing Administrative Settlement with California Regional Water Quality Control Board for Discharge Violations (PW)

Adopted Resolution No. 2009-115 authorizing Administrative Settlement with California Regional Water Quality Control Board for discharge violations.

E-9 Set Public Hearing for October 7, 2009, to Consider Resolution Approving New Rates for Solid Waste Collection (PW)

This item was pulled for further discussion by a member of the public.

Felix Huerta spoke in regard to his concerns about which year's Consumer Price Index was being utilized to calculate increases. Mayor Hansen stated the current item is to set a public hearing only and the specific issue of concern can be addressed at the public hearing.

Mayor Hansen made a motion, second by Council Member Johnson, to set the public hearing for October 7, 2009, to consider a resolution approving new rates for solid waste collection.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

F. Comments by the Public on Non-Agenda Items

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Kuane Washington spoke in regard to her concerns about the various charges on her electric utility billing, the policy to receive the deposit back, and the increased rates. Mayor Hansen stated a representative of the Electric Utility Department will be contacting her to provide her with the requested clarification.

G. Comments by the City Council Members on Non-Agenda Items

Mayor Hansen stated he will be adjourning the meeting in memory of Steve Berkowitz, a long-

time teacher at Tokay High School. Mr. Hansen also reported on the status of the San Joaquin blueprint coming before the Council before the end of the year and AB 32 renewable portfolio standards, which may become an election issue in the near future.

Council Member Hitchcock requested additional information in the form of hard data and spreadsheets in the Council Communications in general and specifically requested cost analysis and data for wastewater and artificial turf.

H. Comments by the City Manager on Non-Agenda Items

None.

I. Public Hearings - None

J. Communications

J-1 Claims Filed Against the City of Lodi - None

J-2 Appointments

a) Appointment to Library Board of Trustees and Re-Post for Vacancies on Lodi Budget/Finance Committee and Lodi Animal Advisory Commission (CLK)

Council Member Mounce made a motion, second by Council Member Hitchcock, to make the following appointment and re-post for the following vacancies:

APPOINTMENT:

Library Board of Trustees

Claudia Maria Velez, term to expire June 30, 2012

POSTING:

Lodi Animal Advisory Commission

One Vacancy, term to expire December 31, 2010

Lodi Budget/Finance Committee

One Vacancy, term to expire June 30, 2013

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

J-3 Miscellaneous - None

K. Regular Calendar

K-1 Consider Impact of State Adopted Budget and Amend Budget via Resolution as Needed in Response to Proposition 1A Property Tax "Borrowing" (CM)

City Manager King briefly introduced the subject matter of the 2009-10 budget adjustments.

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the 2009-10

budget adjustments. Specific topics of discussion included State budget borrowing of property tax, Lodi estimated share of \$1.2 million, reduction of General Fund revenue, choices for City Council, reducing expenditures, participation in securitization, loans from Electric Utility and unrestricted PCE settlements, California Communities Bond, interest rate for borrowing, and staff recommendation of internal borrowing.

In response to Mayor Hansen, Mr. Ayers stated that at this point he is not aware of any agencies that have filed the hardship, which is available to both cities and counties.

In response to Council Member Hitchcock, Mr. Ayers stated the list in the Council Communication was arrived at by giving the individual departments an amount and then the departments responding with what possible cuts would look like.

In response to Council Member Hitchcock, Mr. Ayers stated if the City Council chooses to exercise a combined option, staff could come back with specific prioritized lists of programs and services that could be cut.

In response to Council Member Johnson, Mr. King stated he believes they have reached a point of diminishing returns during the last budget cycle and lay offs will be likely.

In response to Council Member Johnson, Mr. King stated one option to address the State coming back in the future with gas tax reductions is to reduce the streets and maintenance division funding by one-third because it is funded by gas tax on a one-third basis.

In response to Council Member Mounce, Mr. King stated some of the differences with the California Communities Bond and the previous State bond financing are the current credit worthiness of the State, the underlying belief of the rating agencies in the State's ability to pay, the effect of the hardship exemption, and the timing and details of the State securitization program.

In response to Council Member Mounce, Mr. King stated the League of California Cities is asking the cities to show an interest in the program early on, although the timing of the actual bond issuance will be later. Mr. King stated he is not aware of the current status of the litigation against the State by the League.

In response to Mayor Pro Tempore Katzakian, Mr. King and Mr. Ayers confirmed that generally the City receives the property tax money when the property taxes are paid on or around January 1 and the League is advising that the timing of the bond issuance may be consistent with the property tax receipt if everything goes right.

In response to Council Member Hitchcock, Mr. King stated the City is fairly early in bringing the budget options to the Council in light of the State's additional taking and he is aware that San Joaquin County is looking closely at the securitization option.

In response to Mayor Hansen, Mr. King confirmed that the State is proposing to borrow the property tax money and pay it back with interest within a three-year period, the State can only borrow two times during a ten-year period, and it cannot borrow the second time without paying back the first borrowing with interest.

In response to Mayor Hansen, Mr. King stated he is not currently aware of any other discussion the State is having regarding taking additional funding other than that associated with the gas tax, which is also referred to as the highway users tax.

In response to Mayor Hansen, Mr. Ayers stated with the Electric Utility Department (EUD)

borrowing option the initial three percent interest earnings from the State would go to the EUD fund and any excess interest would go to the General Fund.

In response to Council Members Johnson and Mounce, Mr. Ayers confirmed that in theory the State could default on the interest for any of the options and the only option that may be secure is the securitization option because the State would be responsible to the bond holders directly if it defaults.

In response to Council Member Hitchcock, Mr. Ayers stated the City would need to pledge the entire amount for the California Communities Bond option because there is no sale price for the bonds for cities.

In response to Council Member Hitchcock, Mr. Ayers confirmed an additional disadvantage of borrowing from EUD is how the rating agencies may view the internal borrowing. Mr. King explained that, based on the cash on hand for days viewpoint of rating agencies, the City is low in its reserve amount, although the rating agencies may look at the internal borrowing more positively from a receivable option on interest and the new Lodi Energy Center.

In response to Council Member Hitchcock and Mayor Hansen, Mr. Schwabauer stated at the current time staff does not know what the ongoing future clean-up of PCE/TCE will cost; although, it does know what the anticipated costs are for the next two years in clean-up and system installation. Mr. Schwabauer stated that, based on the current knowledge, short-term borrowing from the PCE/TCE fund should not affect the ongoing clean-up efforts.

In response to Council Member Hitchcock, Water Services Manager Charlie Swimley stated the annual collection for PCE/TCE is approximately \$2.5 million.

In response to Council Member Mounce and Mayor Hansen, Mr. King stated that, with respect to the California Communities Bond option, the League is putting together a financing team, legislation related to the option is being drafted, cities are told that they will soon be contacted to gauge interest, and the City can express interest and make a firmer commitment at a later time when there is more information available.

Council Member Hitchcock requested that additional information be brought back to the Council regarding possible reductions in services and programs.

In response to Council Member Johnson, Mr. King stated that the property tax reductions would likely be seen at the end of the year; although, if the Council chooses to pursue a reduction in expenditures, staff would need as much time as possible to absorb and implement the reductions in this fiscal cycle to ensure the budget remains balanced at the end of the current fiscal year.

In response to Mayor Pro Tempore Katzakian, Mr. King stated it is the second month of the fiscal year and staff is working to close the books on last year and ensure the City is on track for the current fiscal year. Mr. King stated the range for the property tax taking is between \$1.2 and \$1.5 million.

Council Member Johnson also requested additional information about reductions in expenditures.

Robin Rushing spoke in favor of the option to pursue the California Communities Bond option and then borrow from the PCE/TCE if necessary.

Council Member Mounce made a motion, second by Mayor Hansen, to adopt Resolution No. 2009-116 amending the budget in response to Proposition 1A property tax "borrowing" by

pursuing the California Communities Bond option, followed by a borrowing from the PCE/TCE fund if necessary.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: Council Member Hitchcock, and Council Member Johnson

Absent: None

K-2 Approve Downtown Lodi Business Partnership 2009-10 Annual Report, Adopt Resolution of Intention to Levy Annual Assessment, and Set Public Hearing for September 2, 2009, to Consider the Proposed Assessment (CM)

City Manager King provided a brief introduction regarding the Downtown Lodi Business Partnership (DLBP) annual report and proposed assessment.

DLBP Executive Director Jaime Watts provided a presentation regarding the annual report for the DLBP. Specific topics of discussion included overview of the organization, proposed budget, profit and loss report for previous year, balance sheet, benefit fee schedule, calendar of events, overview of events, and current and future plans.

In response to Mayor Hansen, Ms. Watts stated that, in response to a concern about clean-up after the Farmer's Market, UCP is coming out earlier on Friday mornings and the merchants were reminded in writing that they are responsible for cleaning their areas after the market.

In response to Council Member Hitchcock, Ms. Watts stated storage was included in the rent line item last year, it is broken out in the report this year, and the rent remains the same from the previous year. She further stated that expenses were broken down further this year by events to more accurately track expenditures.

In response to Mayor Hansen, Mr. King stated the Streets and Highway Code requires the DLBP Board to submit an annual report, the Lodi Municipal Code requires the report be submitted by September 1, and the municipal code could be modified to make the submission of the report consistent with the City's fiscal year.

In response to Council Member Johnson, Ms. Watts stated DLBP is working with the wine tasting rooms and businesses in promotion and continuing to work on clean-up efforts.

Council Member Mounce made a motion, second by Council Member Hitchcock, to approve the Downtown Lodi Business Partnership 2009-10 Annual Report, adopt Resolution No. 2009-117 of Intention to levy annual assessment, and set public hearing for September 2, 2009, to consider the proposed assessment.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

K-3 Receive Report and Endorse a Proposed "Downtown Summit" (CM)

City Manager King provided a brief PowerPoint presentation regarding the proposed Downtown Lodi Summit. Specific topics of discussion included the purpose of the proposed Downtown Lodi

Summit, the layout of the proposed four-hour event consisting of presentations and workshops, presentation to be given by Michael Freedman, potential invitees, and logistics of the proposed event.

In response to Mayor Hansen, Mr. King stated the proposed October 16 date and time was driven by Michael Freedman's availability.

In response to Council Member Hitchcock, Mr. King stated he is sensitive to staff work load and the proposed summit was extended out as a result. Mr. King stated staff recognizes the importance of success and attendance at the event.

The City Council provided general comments supportive of the concept of having the proposed Downtown Lodi Summit and made suggestions regarding the program and formatting of the event.

Erin Smith, a representative of Scooter's in downtown, stated that the recent closings of Starbucks and Quiznos are not due to problems in the downtown area, but rather reflect the choices of those particular corporations.

Council Member Mounce made a motion, second by Mayor Hansen, to endorse holding a one-day (five-hour) Downtown Summit to gather and rally Downtown property owners and merchants to review the progress of Downtown revitalization, assess current conditions, and look toward the future.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

K-4 Receive Report on the Status of the General Plan Update (CD)

City Manager King briefly introduced the subject matter of the status of the General Plan update.

Interim Community Development Director Rad Bartlam discussed the overall status of the General Plan update as outlined in the schedule provided. Mr. Bartlam specifically discussed the timing associated with the draft General Plan, draft Environmental Impact Report (EIR), public review and the final EIR, and adoption of the General Plan and the housing element.

K-5 Approve Issuance of Request for Proposals for Turnkey Solar Demonstration Project at White Slough Water Pollution Control Facility (EUD)

City Manager King briefly introduced the subject matter of the request for proposals for a solar demonstration project at the White Slough facility.

Electric Utility Director George Morrow provided a PowerPoint presentation regarding the proposed solar demonstration project at White Slough. Specific topics of discussion included solar concentrating, solar photovoltaic, solar thermal "trough," sterling system, solar tower, photovoltaic history, how photovoltaic works, simple photovoltaic schematic, solar potential, photovoltaic growth, solar economics, "high gain" photovoltaic, renewable standards, California Energy Commission eligible renewables, solar in Lodi today, photovoltaic demonstration, proposals, proposed photovoltaic site near White Slough, community benefits, grapes and photovoltaic, project evaluation factors, and summary of solar energy possibilities for the City.

In response to Council Member Mounce, Mr. Morrow stated the City could lease the land, although the cost of such lease would be reflected in the purchase price. He further stated that, while he does not have the specific numbers, the price would likely be 15 cents per kilowatt with a 20% or less amortization value with depreciation.

In response to Mayor Pro Tempore Katzakian, Mr. Morrow stated the capped \$375,000 represents approximately 144 kilowatts and other parties will still have an ability to obtain the rebates.

In response to Council Member Johnson, Mr. Morrow stated currently there is no cost to the City for the project, there is some general interest in the community for doing such a project, and the proposed site will hold approximately 300 kilowatts.

In response to Mayor Hansen, Mr. Morrow stated the request for proposals asks for a minimum of 100 kilowatts. He further stated generally when the credits are taken away the purchase price is reduced.

In response to Council Member Hitchcock, Mr. Morrow stated staff can look into partnerships with entities to involve children and education with the demonstration project.

Mayor Hansen thanked Congressman McNerney for his visit to the City to address and receive clarification regarding issues such as Lodi Lake and the solar project.

In response to Mayor Hansen, Mr. Morrow stated the request for proposals will go out in the next couple of weeks, will remain open for 30 to 45 days, and the project should be in service by next June.

In response to Mayor Pro Tempore Katzakian, Mr. Morrow stated the proposal will include both visibility and educational aspects.

Council Member Mounce made a motion, second by Mayor Pro Tempore Katzakian, to approve issuance of request for proposals for Turnkey Solar Demonstration Project at White Slough Water Pollution Control Facility.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

K-6 Receive Report and Consider Options for Cable Television Broadcasts of City Council Meetings (CM)

City Manager King briefly introduced the subject matter of the options for cable television.

Communication Specialist Jeff Hood provided a PowerPoint presentation regarding the proposed options for cable television. Specific topics of discussion included the lack of support by Comcast after the meeting tonight, options for continuing, option to discontinue broadcasts, background with local franchise agreements, State law, the lack of PEG funding, franchise basics, local Digital Infrastructure and Video Competition Act of 2006 (DIVICA) ordinance which allows for 1% Public, Education, and Government (PEG) fee, customer service standards, annual audit, and staff seeking direction on staffing cameras.

In response to Mayor Hansen, Mr. King confirmed that currently the City does not charge the additional 1% and when it is charged it is passed on to the customer.

In response to Council Member Hitchcock, Mr. Hood stated the City was previously collecting 3%, the State franchise then allowed for 5%, and the City now collects the full 5% with an option to collect an additional 1% for PEG. He further stated that Comcast is not looking to take the equipment at this time.

In response to Council Member Mounce, Mr. Hood stated that it is not very complicated to operate the system once an individual is trained. Mr. Hood stated there is another option of flipping the switch with a still camera that does not move throughout the meeting.

In response to Mayor Hansen, Mr. Hood confirmed there is available trained staff at the Community Center that could run the equipment on an hourly basis.

In response to Council Member Johnson, Mr. Hood and Mr. Schwabauer confirmed that under DIVICA the cable companies are required to provide some public access but they are not required to provide staffing. General discussion occurred between Council Member Johnson, Mr. King, and Mr. Schwabauer regarding the ability to advertise on the broadcast channel.

In response to Council Member Hitchcock, Mr. King stated in order to broadcast meetings from Hutchins Street Square at this time, the City would need to hire a video production company because currently the facility does not have the internal infrastructure.

In response to Council Member Mounce, Mr. King stated he is not sure of the cost to broadcast the meeting for invocations and the primary issue with website advertising was the use of the .gov domain.

Council Member Mounce made a motion, second by Mayor Hansen, to continue providing cable television broadcasts of City Council meetings by utilizing paid stage technicians to operate the cameras and collect the additional 1% from Comcast pursuant to law.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

L. Ordinances - None

M. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 11:14 p.m. in memory of Steve Berkowitz, long-time teacher at Tokay High School who passed away on August 12.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, AUGUST 25, 2009**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 25, 2009, commencing at 7:04 a.m.

Present: Council Member Hitchcock, Mayor Pro Tempore Katzakian, and Mayor Hansen

Absent: Council Member Johnson, and Council Member Mounce

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Fourth Quarter Fiscal Year 2008-09 Water, Wastewater, and Electric Utility Department Financial Reports (EUD)

City Manager King briefly introduced the subject matter of the fourth quarter fiscal year 2008-2009 water, wastewater, and electric utility financial reports.

Water Services Manager Charlie Swimley provided a PowerPoint presentation regarding the fourth quarter water and wastewater financial reports. Mr. Swimley specifically discussed the water and wastewater operating results ending June 30, 2009, cash flow summary operations, cash balances, operating results, and water and wastewater utility accomplishments.

In response to Mayor Hansen, Mr. Swimley stated violations and permits do come out of operating costs, although they are not necessarily budgeted for because the goal is always to have zero violations. Mr. Swimley stated that, if there is a significant change coming from the State, a time schedule for implementation is issued and there is time to prepare budget wise. He said he does not anticipate any significant changes over the next year.

In response to Council Member Hitchcock, Mr. Swimley stated the rate increase will bring in approximately \$1.7 million, the negative balance will remain until 2011 and will become positive thereafter, and then the work will begin toward establishing a reserve.

In response to Mayor Hansen, Mr. King stated the impact mitigation fee line item is in the negative because of the \$1.2 million and the level of development is directly related to the impact mitigation fee fund repayment.

In response to Council Member Hitchcock, Mr. King stated the City's impact fee program was based on a formula that used the projected amount of units to be developed.

In response to Mayor Hansen, Mr. King stated new annexations are included in the sense that the City does charge them.

In response to Council Member Hitchcock, Mr. King explained the two methodologies used for calculating impact mitigation fees are the costs are equally spread out among all proposed units regardless of whether or not they are built or equally spreading costs over only already developed units.

In response to Council Member Hitchcock, Public Works Director Wally Sandelin stated three years into the program there was a minor adjustment downward with no inflation adjustments for

the years thereafter despite the fire station costs coming in higher than expected.

In response to Mayor Hansen, Mr. Sandelin stated the in-fill number for the area south of Century Boulevard is approximately 800 units.

In response to Council Member Hitchcock, Mr. Sandelin stated funding sources for new development could include impact fees, developer costs, and grants. He stated the grants are not counted until they are received and are generally water related.

In response to Council Member Hitchcock, Mr. King stated generally changes in land value and market value are reflected in adjustments. Mr. Sandelin stated staff will be looking at the policy to establish the service area, establish the cost of service to the area, look at the number of units affected, equally assess the costs accordingly, and the older area would roll into the new program. Mr. Sandelin stated staff will be reviewing the program this Fall prior to development starting up again.

In response to Mayor Hansen, Mr. Swimley stated the new sewer vacuum truck would cost approximately \$340,000.

In response to Myrna Wetzel, Mr. King stated there is a vehicle replacement program for existing vehicles in the General Fund, although there is no reserve fund for adding new vehicles to the fleet.

Electric Utility Director George Morrow provided a PowerPoint presentation regarding the quarterly update for electric utility. Specific topics of discussion included an overview, financial results, operating expenditures, power supply, power sales, billing statistics, Energy Cost Adjustment (ECA) revenue, Northern California Power Agency general operating reserve, fiscal year 2010 open position, cash balance, and summary.

In response to Mayor Hansen, Mr. Morrow stated the City spent approximately \$4.7 million to date on the new Lodi Energy Center and that money will be recoverable by the City when the project goes to construction.

In response to Mayor Hansen, Mr. Morrow stated the bids for the next small purchase of power are due tomorrow.

In response to Mayor Hansen, Mr. Morrow stated technology upgrades will allow for daily usage data to be retrieved and then made available to customers over the next few years.

In response to Council Member Hitchcock, Mr. Morrow stated the data collection is done on a drive by basis and the more remote collection of the data from a few larger receivers in the community can be costly.

In response to Mayor Hansen, Mr. Morrow stated debt payment is due in August 2010 and revenues may be coming in from the debt service payoff and the Roseville payment.

In response to Council Member Hitchcock, Mr. Morrow stated adjustments to the ECA and base rates are generally done at the same time.

In response to Mayor Hansen, Mr. Morrow stated there is a possibility in the future that the ECA could turn into a negative or flat number throughout the year if the energy costs remain steady and the new Lodi Energy Center comes on line.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:11 a.m.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Hale Park, 209 E. Locust Street, and Blakely Park, 1050 S. Stockton Street, Playground Surfacing Improvements

MEETING DATE: September 2, 2009

PREPARED BY: Interim Parks and Recreation Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for Hale Park, 209 E. Locust Street, and Blakely Park, 1050 S. Stockton Street, playground surfacing improvements.

BACKGROUND INFORMATION: This project was part of the Parks and Recreation Department's 2009/2010 Community Development Block Grant request.

The work consists of providing all labor, materials and equipment to repair approximately 3,550 square feet of existing poured-in-place safety playground material at Hale Park. Work also includes cleaning, repair work and an application of new acrylic urethane over the existing poured-in-place surface for the swing area at Blakely Park. The work being performed at Blakely Park is part of an ongoing maintenance program. The work being performed at Hale Park is due to subgrade failures unknown at this time. Plans and specifications are on file in the Parks and Recreation office.

FISCAL IMPACT: There is no direct impact to the Parks and Recreation Department budget for the playground surfacing improvements at Hale Park or Blakely Park. The Urban County CDBG funds will support the improvements at Hale Park and 2009/2010 Entitlement CDBG funds will support the improvements at Blakely Park.

FUNDING:

Hale Park - Urban County CDBG Funds:	\$60,000
Blakely Park - 2009/2010 Entitlement CDBG Funds:	\$28,000

Jordan Ayers, Deputy City Manager

James M. Rodems
Interim Parks and Recreation Director

cc: City Attorney

Joseph Wood, Neighborhood Services Manager

Wes Fujitani, Sr. Civil Engineer

APPROVED: _____
Blair King, City Manager



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for DeBenedetti Park (G-Basin) Storm Drain Improvements

MEETING DATE: September 2, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve the plans and specifications and authorize advertisement for bids for the DeBenedetti Park (G-Basin) Storm Drain Improvements.

BACKGROUND INFORMATION: This project consists of installing approximately 870 lineal feet of 72-inch storm drain pipe, 42 lineal feet of 42-inch storm drain pipe, one weir structure, three outfall structures, and other incidental and related works, all as shown on the plans and specifications of the project. Exhibit A provides a conceptual sketch of the proposed improvements.

This project is needed to divert storm water that currently enters the northwest playfield in order to protect from inundation the new turf to be planted in Spring 2010. The proposed storm drain improvements will divert storm water from the main in Century Boulevard to the main deep basin via a proposed 72-inch diameter pipe. As a result, the entire G-Basin watershed area will drain directly into the deep basin. The deep basin and northwest playfield will be connected by a proposed weir structure and interconnecting piping that will allow water to flow to the northwest playfield if the deep basin is full. A future storm drain pump station at the northeast corner will allow the basin to be drained and will be constructed under a separate construction contract in 2010.

Following completion of this project, a contract will be awarded in early 2010 to install irrigation, turf and trees for the playfields at the northwest area; irrigation and erosion protection within the basin area; and sidewalks on Century Boulevard and Lower Sacramento Road. Planting should be completed by early Spring and the playfields should be ready for sports play by Fall 2010.

Staff is recommending that City Council approve the plans and specifications and authorize advertisement for bids for the project. Delaying this project will require the installation of turf to also be delayed.

The plans and specifications are on file in the Public Works Department. The planned bid opening date is September 23, 2009.

FISCAL IMPACT: The estimated project cost is \$600,000. There will be a slight increase in the long-term storm drain maintenance cost of the proposed facilities.

FUNDING AVAILABLE: Funding for the project is from the Storm Drain Impact Fee.

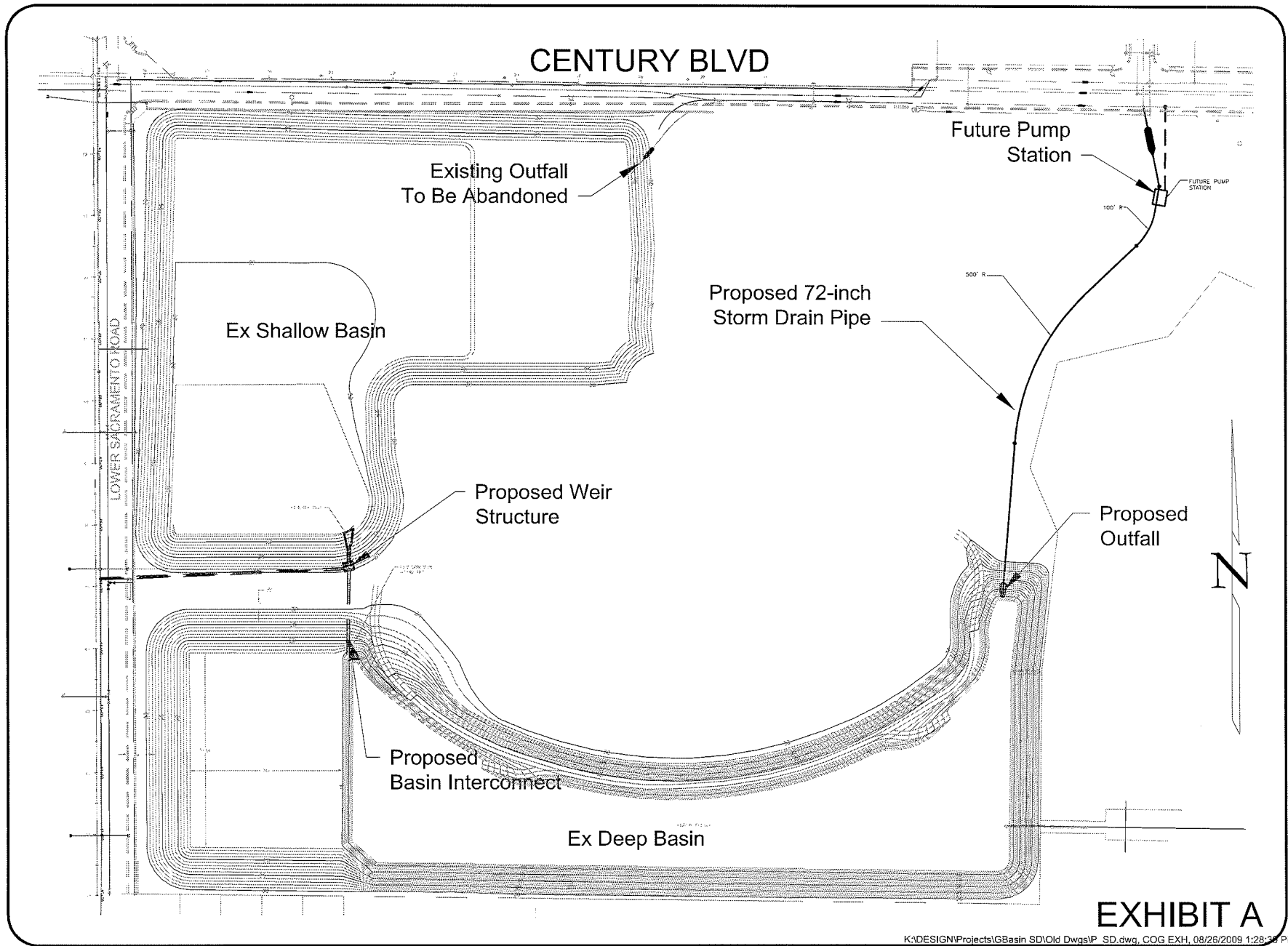
Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Lyman Chang, Senior Civil Engineer
Attachment
cc: Purchasing Officer
Streets and Drainage Manager

Water Service Manager
Senior Civil Engineer, Chang

APPROVED: _____
Blair King, City Manager





CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Rejecting Bid for Installation, Maintenance, and Monitoring Services of Surveillance Camera System and Accessories in McLane, Killelea, and Industrial Substations (EUD)

MEETING DATE: September 2, 2009

PREPARED BY: Interim Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution rejecting bid for the installation, maintenance, and monitoring services of surveillance camera system and accessories in McLane, Killelea, and Industrial Substations.

BACKGROUND INFORMATION: On May 6, 2009, the City Council approved a request for proposal for the installation, maintenance, and monitoring services of surveillance camera and accessories in McLane, Killelea, and Industrial Substation facilities. The authorized budget was \$53,000.

On May 27, 2009, only one bid was received and opened. The proposal was submitted by CamGUARD of Ontario, California with a total bid price of \$75,390.01 for equipment and labor costs plus a monthly charge of \$2,095.

Staff estimated the total project cost to be \$60,000 plus \$750 in monthly charges. The total bid price of CamGUARD exceeded Staff's estimate by approximately \$15,390.01, which is not allocated in the budget. Staff could not determine if the received proposal is reasonable and acceptable without any comparative proposal from other qualified vendors. It is therefore recommended by Staff that the bid from CamGUARD be rejected.

Given the relatively high bid to implement the security project through an outside entity, Staff is evaluating the potential of installing the system using in-house resources in phases and using the newly installed SCADA system to perform the ongoing monitoring aspects of the project. If deemed not feasible or not cost-effective to undertake the project in-house, new bids will be requested from outside vendors.

FISCAL IMPACT: Estimated installation cost and maintenance-monitoring fee are \$60,000 and \$750/mo respectively.

FUNDING AVAILABLE: Funds will be provided through EUD Account 160650.7719.

Jordan Ayers
Deputy City Manager/Internal Services Director

APPROVED: _____
Blair King, City Manager

Kenneth A. Weisel
Interim Electric Utility Director

Prepared by: Demy Bucaneg, Jr. – PE, Assistant Electric Utility Director
Weldat Haile – PE, Senior Power Engineer

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL REJECTING
BID FOR INSTALLATION, MAINTENANCE, AND MONITORING
SERVICES OF SURVEILLANCE CAMERA SYSTEM AND
ACCESSORIES IN MCLANE, KILLELEA, AND INDUSTRIAL
SUBSTATIONS

=====

WHEREAS, in response to notice duly published in accordance with law and the order of this City Council, one (1) sealed bid was received and publicly opened on May 27, 2009 at 11:00 a.m. for the installation, maintenance, and monitoring services of surveillance camera system and accessories in McLane, Killelea, and Industrial Substations; and

WHEREAS, said bid have been received from CamGUARD of Ontario, California with a total price of \$75,390.01 for equipment and labor, plus a monthly charge of \$2,095 for monitoring and maintenance services; and

WHEREAS, the estimated cost was \$60,000 without the monthly charges and CamGUARD's proposal exceeded this amount by approximately \$15,390.01; and

WHEREAS, Staff could not determine the reasonability and acceptability of CamGUARD's price in the absence of comparative proposal from other qualified vendors.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby reject the bid proposal from CamGUARD of Ontario, California.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for Traffic Stripes for Various City Streets 2009 to Chrisp Company, of Fremont (\$22,960)

MEETING DATE: September 2, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution to award contract for Traffic Stripes for Various City Streets, 2009, to Chrisp Company, of Fremont, CA, in the amount of \$22,960.35.

BACKGROUND INFORMATION: This project provides for repainting of traffic stripes (lane lines) on approximately 20 percent of all striped City streets. The repainting of traffic stripes was skipped in 2008 as a cost savings measure.

A recap of the types of lane line and quantities for this contract is provided below:

<u>LANE LINES</u>	<u>MILES</u>	<u>COST</u>
Broken White	.77	\$408.50
Broken Yellow	6.72	\$3,545.90
Double Yellow	4.27	\$9,695.21
Eight-Inch Solid White	.41	\$1,087.20
Four-Inch Solid White	1.49	\$1,807.34
Continuous Left	.81	\$1,488.20
Six-Inch Solid White	2.64	\$463.68
Six-Inch Skip	.27	\$4,464.32
Total	17.38	\$22,960.35

The specifications for this project were approved on August 5, 2009. The City received the following four bids for this project on August 20, 2009.

<u>Company</u>	<u>Location</u>	<u>Bid</u>
Chrisp Company	Fremont	\$22,960.35
Sierra Striping Company	Loomis	\$32,584.33
Safety Striping Service, Inc.	Goshen	\$35,190.18
Centerline Striping Company, Inc.	Elk Grove	\$38,780.22

Chrisp Company has done work within the City of Lodi numerous times with excellent results.

The 2009/10 Street Operating Budget includes \$75,000 for this project. Staff will work with Chrisp Company to execute a contract change order increasing the number of feet of lane line installed to take advantage of the extremely low bid price.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: This budgeted expense will assist the Streets and Drainage Division in its continuing effort to maintain the City's lane lines for visibility and safety.

FUNDING AVAILABLE: The money for this material will be coming from the 2009/10 Street Operating Budget.

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Curt Juran, Assistant Streets and Drainage Manager
FWS/CJ/dsg

cc: D. Stephen Schwabauer, City Attorney
George M. Bradley, Streets & Drainage Manager

THIS CONTRACT, made by and between the CITY OF LODI, State of California, herein referred to as "**City**" and CHRISP COMPANY, herein called "**Contractor**."

WITNESSETH:

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids
Information to Bidders
General Provisions
Special Provisions
Bid Proposal
Contract
Contract Bonds

The May 2006 Edition Standard
Specifications, State of California
Business, Transportation, and
Housing Agency, Department of
Transportation

All of the above documents, sometimes hereinafter referred to as the "Contract Documents," are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I That for and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth in Section 5.600, "Measurement, Acceptance and Payment," of the General Provisions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The responsibility for compliance with these Labor Code requirements is on the prime contractor.

ARTICLE IV And the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until it's acceptance by the City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work; and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Contract Documents and the requirements of the Engineer under them, to-wit:

Perform the work necessary to install 17.40 miles of extruded thermoplastic traffic stripes (traffic lines) on various City streets and other incidental and related work, all as shown on the specifications for EXTRUDED THERMOPLASTIC TRAFFIC STRIPES, VARIOUS CITY STREETS, 2009.

BID ITEMS

<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>EST'D QTY.</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
1	4" Broken White	4,085	LF	\$_____ .10	\$_____ 408.50
2	4" Broken Yellow	35,459	LF	\$_____ .10	\$_____ 3,545.90
3	Double Yellow	22,547	LF	\$_____ .43	\$_____ 9,695.21
4	8" Solid White	2,265	LF	\$_____ .48	\$_____ 1,087.20
5	4" Solid White	7,858	LF	\$_____ .23	\$_____ 1,807.34
6	Continuous Left	4,252	LF	\$_____ .35	\$_____ 1,488.20
7	6" White Skip	1,449	LF	\$_____ .32	\$_____ 463.68
8	6" White Solid	13,951	LF	\$_____ .32	\$_____ 4,464.32

TOTAL BID **\$ 22,960.35**

ARTICLE V By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE VI It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VII The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Special Provisions. All labor or materials not mentioned specifically as being done by the City will be supplied by the contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII The Contractor agrees to commence work pursuant to this contract within 15 calendar days after the City Manager has executed the contract and to diligently prosecute to completion within 10 WORKING DAYS.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH IN SECTION 6-04.03 OF THE SPECIAL PROVISIONS. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date first written below.

CONTRACTOR

Dated: _____, 2009

Authorized Signature

Title

TYPE OF ORGANIZATION

Individual, Partnership or Corporation

Address

() _____
Telephone

() _____
FAX

CITY OF LODI
a Municipal corporation

Blair King
City Manager

Attest:

Randi Johl
City Clerk

Approved as to Form:

D. Stephen Schwabauer
City Attorney



RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING CONTRACT FOR TRAFFIC STRIPES FOR
VARIOUS CITY STREETS 2009

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bid was received and publicly opened on August 20, 2009, at 11:00 a.m., for Traffic Stripes for Various City Streets 2009, described in the specifications therefore approved by the City Council on August 5, 2009; and

WHEREAS, said bid has been checked and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Bid</u>
Chrisp Company	\$22,960.35
Sierra Striping Company	\$32,584.33
Safety Striping Service, Inc.	\$35,190.18
Centerline Striping Company, Inc.	\$38,780.22

WHEREAS, staff recommends awarding the bid for Traffic Stripes for Various City Streets 2009, to the low bidder, Chrisp Company, of Fremont, California; and

WHEREAS, sufficient funds are available to perform additional needed striping work.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby award the contract for Traffic Stripes for Various City Streets 2009 to Chrisp Company, of Fremont, California, the low bidder, in the amount of \$22,960.35; and

BE IT FURTHER RESOLVED that the Public Works Director is authorized to add additional striping work under this contract as funds are available within the current budget.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the Lodi City Council in a regular meeting held September 2, 2009, by the following votes:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Execute an Agreement to Withdraw Lodi from the Western GeoPower Inc. Renewable Energy Power Purchase Agreement (EUD)

MEETING DATE: September 2, 2009

PREPARED BY: Interim Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to execute an Amended and Restated Third Phase Agreement¹ (3PA) with the Northern California Power Agency (NCPA) to withdraw Lodi from the Western GeoPower Incorporated (WGI) Renewable Energy Power Purchase Agreement (PPA).

BACKGROUND INFORMATION: On February 20, 2008, the City Council authorized execution of a 3PA with NCPA, under which members would share NCPA's costs and energy output of a geothermal power plant to be developed by WGI, with the energy output sold to NCPA at \$98 per megawatt hour. The energy was to be delivered for 20 years, beginning in April 2010. The energy would be an Eligible Renewable Resource in the Lodi Electric Utility Renewable Portfolio Standard Program and would provide environmental attributes associated with reductions of Greenhouse Gases and other emissions. Lodi had subscribed to 7.02 percent of the 25 to 33 megawatts of output and associated costs, approximately 2 MW.

Reevaluation of WGI's geothermal steam supply has caused the plant size to be limited to 25 MW, resulting in a reduction of WGI's projected revenue stream. The reduced revenue is compounded by the tightening of the financial markets. WGI advised NCPA that WGI is unable to secure financing unless the energy sale price is raised to \$117/MWh. That equates to a 1.9-cent /kWh increase in the wholesale power cost to 11.7 cents per kWh.

The new terms are unattractive for Lodi. The execution of the Amended and Restated 3PA will contractually remove Lodi from a participant in the power purchase agreement. The NCPA Commission on July 23, 2009 authorized execution of an Amended and Restated PPA with WGI reflecting the higher cost and revised participation shares. Some NCPA members are not willing to pay the higher price. Others are willing to increase their shares to keep the project fully subscribed.

The Lodi Risk Oversight Committee concurred with this recommendation at its meeting of August 12, 2009.

Attached is a copy of the proposed Amended and Restated 3PA between NCPA and members. This agreement may be subject to further non-substantive changes prior to its execution.

¹ NCPA refers to agreements with members that allocate project shares and provide NCPA with assurance of payment for costs incurred during operation of a plant or contract as a "Third Phase Agreement".

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: Reduced purchases of above-market-cost energy.

Kenneth A. Weisel
Interim Electric Utility Director

PREPARED BY: Ken Weisel, Interim Electric Utility Director

KAW/lst

AMENDED AND RESTATED

THIRD PHASE AGREEMENT

FOR

WESTERN GEOPower INCORPORATED

RENEWABLE ENERGY POWER PURCHASE AGREEMENT

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This Amended and Restated Third Phase Agreement for Western GeoPower Incorporated Renewable Energy Power Purchase Agreement (the "Agreement") is between the Northern California Power Agency, a joint powers agency of the State of California ("NCPA") and those of its Members who execute this Agreement ("Participants"). NCPA and the Participants are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. WHEREAS, NCPA and the Participants are interested in purchasing additional renewable electric capacity and energy for the benefit of the Participants' customers:

B. WHEREAS, the Participants desire that NCPA negotiate and enter into a renewable energy power purchase agreement (PPA) with Western GeoPower Incorporated ("Western GeoPower") for twenty (20) years; and

C. WHEREAS, on _____, NCPA and Western GeoPower entered into an Amended and Restated Renewable Energy Power Purchase Agreement;

D. WHEREAS, on May 16, 2008, NCPA has executed a PPA with Western GeoPower to purchase the entire expected Project Output from a new Western GeoPower geothermal project ("Project") located in the Geysers Geothermal Field located in Mayacamas Mountains of Sonoma and Lake Counties in the State of California; and

E. WHEREAS, on or about May 6, 2008, NCPA and the Participants executed the Third Phase Agreement for Western Geopower Incorporated Renewable Energy Power Purchase Agreement; and

F. WHEREAS, NCPA, on behalf of the Participants, will purchase the Project output at a fixed price not to exceed one-hundred-seventeen dollars (\$117.00) per megawatt hour for capacity up to 25 MW, and for additional capacity in excess of 25 MW, NCPA will purchase Project output at a fixed price not to exceed ninety-eight dollars (\$98.00) per megawatt hour for the term of twenty (20) years pursuant to the Amended and Restated Renewable Energy Power Purchase Agreement; ; and

G. WHEREAS, as a result of the price adjustment, several Participants, identified herein, specifically as the Cities of Alameda, Lodi, and Roseville, the Truckee-Donner Public Utility District, and the San Francisco Bay Area Rapid Transit District ("BART") ("Withdrawing Participants") wish to withdraw from the Agreement, however, the terms of this Agreement prior to this amendment and restatement do not allow for withdrawal by any Participant; and

H. WHEREAS, the Participants desire to enter into this Agreement to allow a one-time withdrawal by the Withdrawing Participants without future liability to NCPA and to the remaining Participants; and

I. WHEREAS, NCPA and the Participants wish to enter into this Agreement to provide all means necessary for NCPA to fulfill obligations incurred on behalf of NCPA and the Participants pursuant to the PPA and to enable and obligate the Participants to take delivery of and pay for such electricity and to pay NCPA for the costs of undertaking the foregoing activities; and

J. WHEREAS, NCPA and its members have (or will have) entered into the Facilities Agreement, dated September 22, 1993, which provides for services which NCPA shall perform for its members, and for the provisions to be contained in third phase agreements such as this Agreement.

K. WHEREAS, NCPA and its members have (or will have) entered into the Scheduling Coordination Program Agreement ("SCPA"), dated August 28, 2002, which provides for CAISO scheduling services and cost allocations which NCPA shall perform for its members.

L. WHEREAS, the City of Healdsburg is not currently a project Participant to the Third Phase Agreement executed on _____ (date), but now wishes to participate in this Project and desires to be bound to this Agreement;

NOW, THEREFORE, in consideration of the foregoing, and the mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree and intend to be legally bound, as follows:

Section 1. Definitions.

1.1 Definitions. Whenever used in this Agreement (including the Recitals hereto), the following terms shall have the following respective meanings:

1.1.1 “Agreement” means this Amended and Restated Third Phase Agreement for Western GeoPower Incorporated Renewable Energy Power Purchase Agreement, including all Exhibits attached hereto, as the same may be amended from time to time in accordance with the terms and conditions hereof.

1.1.2 “Annual Budget” means the budget for the ensuing Budget Year adopted by the Commission, as it may be amended from time to time.

1.1.3 “Associate Member” means an associate member of NCPA admitted to NCPA in accordance with Article IV, Section 7 of the Joint Powers Agreement.

1.1.4 “Budget Year” means the NCPA fiscal year; currently the twelve month period beginning July 1 and ending on the next following June 30.

1.1.5 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time.

1.1.6 “Capacity Attributes” means any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Project, intended to value any aspect of the capacity of the Project to produce Energy or ancillary services, including, but not limited to, any accounting construct so that the full capacity of the Project may be counted toward a resource adequacy requirement or any other measure by the CPUC, the CAISO, the FERC, or any other entity invested with the authority under federal or state law, to require buyer [defined term?]to procure, or to procure at buyer’s expense, Resource Adequacy [lower case or a defined term?]or other such products.

1.1.7 "Claims" has the meaning set forth in Section 11.2.

1.1.8 "Commission" means the NCPA Commission.

1.1.9 Not Applicable under this Agreement.

1.1.10 "Constitutive Documents" means, with respect to NCPA, the Joint Powers Agreement and any resolutions or bylaws adopted thereunder, and with respect to each Participant, the California Government Code and Public Utilities Code, and other statutory provisions applicable to such Participant, any applicable agreements, charters, contracts or other documents concerning the formation, operation or decision making of such Participant, including, if applicable, its City Charter, and any codes, ordinances, bylaws, and resolutions adopted by such Participant's governing body.

1.1.11 "Defaulting Party" has the meaning set forth in Section 10.1.

1.1.12 "Effective Date" has the meaning set forth in the Section 9 of this Agreement.

1.1.13 "Electric System" means, with respect to each Participant except BART, all properties and assets, real and personal, tangible and intangible, of the Participant now or hereafter existing, used or pertaining to the generation, transmission, transformation, distribution or sale of electric capacity and energy, or the utilization of such, including all additions, extensions, expansions, improvements and betterments thereto and equipment thereof; provided, however, that to the extent the Participant is not the sole owner of an asset or property or to the extent that an asset or property is used in part for the above described purposes, only the Participant's ownership interest in such asset or property or only the part of the asset or property used for electric purposes shall be considered to be part of its Electric System.

1.1.14 "Energy" means the electricity generated by the Generating Facility pursuant to this Agreement, as expressed in units of KWh or MWh as measured at the meter(s), as that term is defined the PPA.

1.1.15 "Environmental Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, directly attributable to the power purchase. Environmental Attributes include, but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄) and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (3) the reporting rights to these avoided emissions such as Green Tag Reporting Rights. Environmental Attributes do not include: (1) any energy, capacity, reliability or other power attributes; (2) production tax credits associated with the construction or operation of the energy Projects and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation; (3) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits; or (4) emission reduction credits encumbered or used by the Unit(s) for compliance with local, state, or federal operating and/or air quality permits.

1.1.16 "Event of Default" has the meaning set forth in Section 5.5.3 and Section 10.1.

1.1.17 "Generating Facility" means Western GeoPowers, Inc.'s electricity generating facility as more particularly described in Exhibit 2 [Description of Generating Facility] of the PPA, together with all materials, equipment systems, structures, features and improvements necessary to produce electricity at such facility, excluding the site, land rights and interests in land.

1.1.18 "Joint Powers Agreement" means that certain Northern California Power Agency Joint Power Agreement first made July 19, 1968 and revised as of April 1, 1973, establishing NCPA, as the same may be amended from time to time.

1.1.19 "Member" means any Member of NCPA or Associate Member of NCPA.

1.1.20 "MW" means megawatt.

1.1.21 "MWh" means megawatt hour.

1.1.22 "NCPA" has the meaning set forth in the preamble hereto.

1.1.23 "Participation Percentage." has the meaning, with respect to each Project Participant, the percentage of the total capacity of the Project, and the energy associated with such capacity, to which such Participant is entitled pursuant to the terms of this Agreement. The Project Participation Percentage for each Project participant shall be in the percentage set forth in Exhibit B, attached hereto and incorporated herein. Exhibit B, shall be amended from time to time in accordance with this Agreement.

1.1.24 "Project" refers to the Western Geopower project to develop, finance, operate and maintain the Generating Facility which is the subject of the PPA.

1.1.25 "Project Cost Allocation" means the Project Costs allocated to the Participants in the Annual Budget.

1.1.26 "Project Costs" means any and all costs, directly or indirectly, incurred by NCPA as a result of entering into the PPA. NCPA costs include, but are not limited to related legal fees and associated staff time, administrative and general overhead costs, charges for transmission, transmission related costs and costs associated with the PPA or other NCPA associated Agreements, including the Facilities Agreement and the SCPA or a successor agreement.

1.1.27 "Project Output" means all energy generated pursuant to the PPA from the geothermal Project currently being developed by Western GeoPower in conjunction with this Project, related Environmental Attributes and Capacity Attributes;

1.1.28 "Participant" has the meaning set forth in the preamble hereto.

(i) "Party" or "Parties" has the meaning set forth in the preamble hereto; provided that "Third Parties" are entities that are not party to this Agreement.

1.1.29 “PPA” means the Amended and Restated Renewable Energy Power Purchase Agreement between NCPA and Western GeoPower, Inc., dated _____, attached hereto as Exhibit A.

1.1.30 “Resource Adequacy Capacity” is that capacity in megawatts that has been approved by each Participant, as capacity available to ensure that adequate resources are available to meet peak demand and operating and planning reserves for the purposes of local area and system reliability.

1.1.31 “Revenues” means, with respect to each Participant with the exception of BART, all income, rents, rates, fees, charges, and other moneys derived by the Participant from the ownership or operation of its Electric System, including, without limiting the generality of the foregoing, (a) all income, rents, rates, fees, charges or other moneys derived from the sale, furnishing and supplying of electric capacity and energy and other services, facilities, and commodities sold, furnished, or supplied through the facilities of its Electric System, (b) the earnings on and income derived from the investment of such income, rents, rates, fees, charges or other moneys to the extent that the use of such earnings and income is limited by or pursuant to law to its Electric System, and (c) the proceeds derived by the Participant, directly or indirectly, from the sale, lease or other disposition of all or a part of the Electric System; but the term “Revenues” shall not include (i) customers’ deposits or any other deposits subject to refund until such deposits have become the property of the Participant or (ii) contributions from customers for the payment of costs of construction of facilities to serve them. In regards to BART, “Revenues” means, all income, rents, rates, fees, charges, grants, fares or tariffs, subventions and other moneys derived by the Participant from its operation, including, without limiting the generality of the foregoing, (x) the earnings on and income derived from the investment of such income, rents, rates, fees, charges grants, fares or tariffs, subventions or other moneys and (y) the proceeds derived by the Participant, directly or indirectly, from the sale, lease or other disposition of all or a part of its assets; but the term “Revenues” shall not include any moneys derived from sources, the use of which is limited by law to expenditures other than operating expenses.

1.1.32 “Scheduling Protocols” means the applicable provisions of the SCPA, or successor document and any other contractual or other arrangements between NCPA and the relevant Participant concerning the scheduling, delivery and metering of the PPA.

1.1.33 “Security Account” means the account established by NCPA and funded by the Participants in accordance with Section 5.3, the funds of which are available for use by NCPA in accordance with the terms and conditions hereof.

1.1.34 “Term” has the meaning set forth in Section 9.

1.1.35 “Withdrawing Participants” has the meaning set forth in the Recital G.

1.2 Rules of Interpretation. As used in this Agreement (including the Recitals hereto), unless in any such case the context requires otherwise: the terms “herein,” “hereto,” “herewith” and “hereof” are references to this Agreement taken as a whole and not to any particular provision; the term “include,” “includes” or “including” shall mean “including, for example and without limitation;” and references to a “Section,” “subsection,” “clause,” or “Exhibit” shall mean a Section, subsection, clause or Exhibit of this Agreement, as the case may be. All references to a given agreement, instrument or other document shall be a reference to that agreement, instrument or other document as modified, amended, supplemented and restated through the date as of which such reference is made, and reference to a law, regulation or ordinance includes any amendment or modification thereof. A reference to a “person” includes any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity, in each case whether or not having a separate legal personality and includes its successors and permitted assigns. The singular shall include the plural and the masculine shall include the feminine, and *vice versa*.

Section 2. Effectiveness of Agreement. This Agreement shall be effective as to each Participant as of the Effective Date upon execution by the Participant, as described in Section 9 below.

Section 3. Delivery of Electricity / Allocation of Resource Adequacy Capacity and Environmental Attributes. By executing this Agreement, each Participant acknowledges and agrees to be bound by the take-or-pay process contained in or referenced herein. Any electricity delivered to NCPA under the PPA shall be delivered to each Participant in proportion to such Participant's Participation Percentage and each Participant shall accept and pay for its relevant percentage of such electricity. To the extent Participant is unable to accept such deliveries in full, NCPA shall dispose of such surplus in its discretion, in such a manner to maximize Participant value. Notwithstanding the above, NCPA may allocate capacity and energy procured through the PPA among the Participants in such percentages as NCPA may, in its reasonable discretion, determine are necessary, desirable, or appropriate, in order to accommodate Participant Transfer Rights pursuant to Section 7, herein. Such electricity shall be scheduled for the Participants in accordance with the Scheduling Protocols with costs of scheduling, dispatch and settlement allocated in accordance with the framework described in Exhibit C, which attached hereto and incorporated as though fully set forth herein. Resource Adequacy Capacity and Environmental Attributes obtained by NCPA as a result of performance under this Agreement shall likewise be allocated to each Participant by its Participation Percentage.

3.1 Payments to Counterparty. NCPA shall pay all costs incurred hereunder using operating funds or Security Account funds, paid to NCPA in accordance with Section 5, or such other sources as may be agreed upon in writing by the Parties from time to time.

Section 4. Cooperation and Further Assurances. Each of the Parties agrees to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by any other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumption of obligations other than those provided for in this Agreement, in order to give full effect to this Agreement and to carry out the intent of this Agreement.

Section 5. Payment Obligations, Security Account, Invoicing.

5.1 Participant Payment Obligations. Each Participant agrees to pay to NCPA each month its respective portion of the Project Costs. In addition, each Participant shall maintain

working capital in accordance with NCPA's Annual Budget, and maintain its Security Account as provided in this Agreement.

5.2 Calculation of and True-Up for Project Costs. Upon the conclusion of a Budget Year, NCPA shall compare each Participant's payment of estimated Project Costs with the actual Project Costs incurred on behalf of each Participant such that overpayments will be credited to, and underpayments will debited to, the Participant's account in accordance with NCPA's Annual Budget settlements.

5.3 Security Account.

5.3.1 Initial Amounts. NCPA shall notify each Participant three (3) months prior to the expected initial delivery of power of the initial security amounts which Participant shall be obligated to pay for under this Agreement. Each Participant shall ensure that sufficient funds are on deposit in the Security Account equal to the highest (3) months of the immediately following (12) months of estimated Project Costs ; provided, however, that such deposit may be satisfied, in whole or in part, either in cash, by posting an irrevocable standby letter of credit or furnishing any other negotiable instrument satisfactory to NCPA's General Manager, exercising his or her reasonable discretion.

5.3.2 Subsequent Deposits. Periodically, and at least quarterly, NCPA shall review and revise its estimate of all costs for which Participant shall be obligated to pay for under this Agreement for the succeeding twelve (12) months. Following such review, NCPA shall determine whether each Participant has a sufficient balance in the Security Account. To the extent that any Participant's balance in the Security Account is greater than one hundred and ten percent (110%) of the amount required herein, NCPA shall credit such amount as soon as practicable to the Participant's next following invoice. To the extent that any Participant's balance in the Security Account is less than ninety percent (90%) of the amount required herein, NCPA shall add such amount as soon as practicable to such Participant's next invoice. Credits or additions shall not be made to Participants who satisfy these Security Account requirements in whole, through the use of a letter of credit, provided that the amount of the letter of credit shall be adjusted in a like manner to assure an amount equal to the highest three (3) months of estimated Project Costs.

5.3.3 Use of Security Account Funds. NCPA may use any and all funds deposited into the Security Account to pay any costs it incurs hereunder, including making payments to the counterparty under the PPA. NCPA may use any and all funds without regard to any individual Participant's balance in the Security Account or proportionate share of Project Costs and irrespective of whether NCPA has issued an invoice for such costs to the Participants or whether a Participant has made timely payments of invoices. Should Participant have satisfied its Security Account requirements, in whole or in part, by posting a letter of credit, NCPA may draw on such letter of credit to satisfy Participant's obligations hereunder.

5.3.4 Emergency Additions. In the event that the funds are withdrawn pursuant to section 5.3.3, or if the Security Account is insufficient to allow payment of an invoice, demand, request for further assurances by Third Parties, or Claims, NCPA shall notify all Participants and then prepare and send a special or emergency assessment to the Participants. Each Participant shall pay to NCPA such assessment when and if assessed by NCPA within two (2) Business Days of the invoice date of the assessment or consent to and direct NCPA to draw on any existing letter of credit Participant has established for such purposes.

5.3.5 Accounting and Interest. NCPA shall maintain a detailed accounting of each Participant's deposits into and shares of withdrawals from the Security Account. Interest earned on the Security Account shall be proportionately credited to the Participants in accordance with their Security Account balances. Any losses in the Security Account caused by early termination of investments shall be allocated among the Participants in accordance with their proportionate Participation Percentages.

5.3.6 Return of Funds. On the termination of this Agreement with respect to a Participant in accordance with this Agreement, the affected Participant or Participants may apply to NCPA for the return of their share of Security Account funds ninety (90) days after the effective date of such termination or withdrawal. NCPA shall, in its sole discretion, as determined by the General Manager, estimate the then outstanding liabilities of the Participant(s), including any estimated contingent liabilities and shall retain all such funds until all such liabilities

have been fully paid or otherwise satisfied in full. The balance of the Participant's share of the Security Account will be refunded to the Participant.

5.4 Invoicing.

5.4.1 Invoices. As part of NCPA's regular, monthly, advance billing or by separate special invoice, as required in the circumstances, NCPA will issue an invoice to each Participant for its proportionate share of the Project Costs due (or any adjustments thereto) based on Sections 5.1 and 5.2 above. Such invoices may include estimated costs and estimated settlement and meter data. Each invoice shall include: (i) the total Project Costs attributable to the activities under this Agreement for such month and the relevant Participant's share thereof; (ii) the quantity of electricity, Resource Adequacy Capacity and Environmental Attributes, delivered to such Participant (or an estimate thereof) and the unit price for such electricity; (iii) appropriate settlement and meter data (or an estimate thereof); (iv) including any adjustments to prior invoices required based on actual data received that was estimated in a previous invoice. In addition NCPA may invoice an amount, if any, that NCPA has paid or reasonably expects to pay using funds available in the Security Account; and amounts due from (or credited to) such Participant under Section 5.3.2.

5.4.2 Payment of Invoices. All invoices delivered by NCPA hereunder are due and payable on the date indicated on such invoice, provided, however, that any amount due on a day other than a Business Day may be paid on the following Business Day. NCPA may apply a Participant's share of the Security Account to the payment of all or any portion of an invoice issued to such Participant, provided that application of such funds from the Security Account shall not relieve the Participant from any late payment charges pursuant to Section 5.4.3. To the extent that NCPA applies funds from the Security Account to pay an amount due under an invoice, following receipt of payment of such invoice by the relevant Participant, NCPA shall deposit the relevant portion of the payment into the Security Account and credit such deposit to such Participant.

5.4.3 Late Payments. Any amount due and not paid by a Participant in accordance with Section 5.4.2 shall bear interest computed on a daily basis until paid at the lesser

of (i) the per annum prime rate (or reference rate) of the Bank of America NT&SA then in effect, plus two percent (2%) or (ii) the maximum rate permitted by law.

5.5 Settlement Data and Examination of Books and Records.

5.5.1 Settlement Data. NCPA will make metering and settlement data available to the Participants. Procedures and formats for the provision of such data will be as established by the Participants and NCPA from time to time.

5.5.2 Examination of Books and Records. Any Participant to this Agreement shall have the right to examine the books and records created and maintained by NCPA pursuant to this Agreement at any reasonable, mutually agreed upon time.

5.5.3 Revenue Covenant. Any failure of a Participant to meet its obligations hereunder or to cure such failure in a timely manner shall constitute an Event of Default and the Defaulting Party shall be subject to such remedies of NCPA as provided for herein. Each Participant covenants and agrees (i) to continue to pay or advance to NCPA, from its electric department revenues only or, in the case of BART, its tariffs, fees or other sources of revenue, provided that such sources shall not include any sums derived from sources, the use of which is limited by law to expenditures other than operating expenses, its percentage share of the costs authorized by Participants in accordance with this Agreement in connection with its participation in the Project. Each Participant further agrees that it will fix the rates and charges for services provided by its electric department, or in the case of BART, its general revenues, so that it will at all times have sufficient money in its department revenue funds to meet this obligation; (ii) to make payments under this Agreement from the Revenues of, and as an operating expense of, its Electric System, or in the case of BART, its general revenues; (iii) to make payments under this Agreement whether or not there is an interruption in, interference with, or reduction or suspension of services provided under this Agreement; such payments not being subject to any reduction, whether by offset or otherwise, and regardless of whether any dispute exists provided such

interruption, interference or reduction in services is caused by forces constituting an act of God¹ and not reasonably contemplated by the Parties; and (iv) to operate its Electric System., or in the case of BART, its transit system, in an efficient manner and to maintain its facilities in good repair, condition and working order so that: (a) the Participant's obligations to make payments under this Agreement are not adversely affected or threatened; and (b) NCPA's bond rating and ability to negotiate and enter into a PPA are not adversely affected or threatened.

Section 6. Administration of Agreement

6.1 General. The NCPA Commission has sole overall responsibility and authority for the administration of this Agreement. Any acts, decisions or approvals taken, made or sought by NCPA under this Agreement shall be taken, made or sought, as applicable, in accordance with NCPA's Constitutive Documents and Section 6.2.

6.2 Action by Participating Members.

(a) Forum: Whenever any action anticipated by this Agreement is required to be taken by the Participants, such actions shall be taken at a regular or special meeting of the NCPA Commission but shall be participated in only by those Commissioners, or their designated alternates, who are Participants.

(b) Quorum: A quorum at NCPA Commission meetings for purposes of acting upon matters relating to this Agreement shall consist of Commissioners, or their designated alternates, representing at least two Participants having a combined majority interest based upon Participation Percentages.

(c) Voting: Each Participant shall have the right to cast one vote with respect to matters pertaining to this Agreement, with a majority vote of the Participating Members required for action subject to the following exceptions:

(i) Upon request of any Participant representative, the voting on an issue related to this Agreement shall be by Participation Percentage with a 65% or more

¹ For the purposes of Section 5.5.3, an "act of God" shall be defined as any natural disaster or uncontrollable force not preventable by any human agency, such as, but not limited to, any storm, flood, or violent or destructive natural force.

favorable vote necessary to carry the action. The 65% required by the preceding sentence shall be reduced by the amount that the Participation Percentage of any Participant exceeds 35%, but shall not be reduced below a majority interest.

(ii) After any decision related to this Agreement is taken by the affirmative vote of less than 65% of the Program Participants, the action can be reviewed and revised if a Participant gives notice of intention to seek such review and revision to NCPA and each of the other Participants within ten (10) days following the date on which such action was taken. Upon receipt of such a request for reconsideration, the Chair of the Commission shall agendize the matter for reconsideration at the next regular meeting of the Commission or at a special meeting if the circumstances so warrant. The action shall be upheld upon the affirmative vote of authorized representatives of the Participants. Any action taken upon reconsideration shall be final.

iii. Participants agree to abide by the terms and conditions of NCPA's existing Facilities Agreement, as it may be amended from time-to-time, which is incorporated herein, but due to the large size of the Facilities Agreement and its exhibits, is not made a separate exhibit to this Agreement. The Participants also agree to execute the Facilities Agreement as a signatory to that agreement as soon as possible.

Section 7. Transfer of Rights by Participants

7.1 A Participant has the right to make transfers, sales, assignments and exchanges (collectively "transfers(s)") its Participation Percentage and rights thereto. If a Participant desires to transfer a portion or its entire share of the Project for a specific time interval, or permanently, NCPA will, if requested by such Participant, use its best efforts to transfer that portion of the Participant's share of the Project.

7.2 Before NCPA may transfer an excess Project share pursuant to section 7.1 to any person or entity other than a Participant, it shall give all Participants the right to purchase the share on the same terms and conditions. Before NCPA may transfer an excess Project share pursuant to section 7.1 to any person or entity other than an NCPA member, it shall give all NCPA members the right to purchase the share on the same terms and conditions. Such right shall be exercised within thirty (30) days of receipt of notice of that right.

7.3 No transfer shall relieve a Participant of any of its obligations under this Agreement except to the extent that NCPA receives payment of these obligations from a transferee.

Section 8. Withdrawal of Participants. The Parties agree that only the Withdrawing Participants may withdraw from this Agreement as a result of the amendment to the PPA entered into between NCPA and Western GeoPower, Inc., dated _____. As a further condition of withdrawal, the remaining Participants agree to fully subscribe to the total capacity of the Project and agree to indemnify and hold harmless Withdrawing Participants from liability arising out of this Agreement after their withdrawal. However, no Participant may withdraw until the entire capacity of the Project is fully subscribed by the remaining Participants. Upon withdrawal from the Project, conditioned upon full subscription of the Project capacity by the non-Withdrawing Participants, the Withdrawing Participants shall no longer have any rights, responsibilities, liabilities or obligations with respect to this Agreement. Accordingly, Sections 10.5.1, 10.5.2 and 10.5.3, herein, are inapplicable to Withdrawing Participants.

With the exception of the foregoing, no remaining Participant may withdraw from this Agreement after the Effective Date. However, NCPA will use its best efforts to assist any Participant that wishes to transfer all or any portion of its rights pursuant to Section 7 above.

Section 9. Term and Termination.

9.1 This Agreement shall become effective on the date (the "Effective Date") when it has been executed and delivered to NCPA by Participants, the Participation Percentages of which, in the aggregate, equal at least 65% participation in the Project. NCPA shall provide written notices to all Participants, establishing the Effective Date. The remaining Participants listed in Exhibit B shall have forty-five (45) days, following the notice of the Effective Date to execute and deliver counterparts of this Agreement to NCPA. If any Participants listed on Exhibit B fails to execute and deliver this Agreement or the Facilities Agreement within such forty-five (45) days, unless otherwise agreed to by the Participants who have executed the Agreement, the Participating Percentages of such member or members shall be allocated to those Participants in proportion to, but not exceeding, their Participation Percentages. This Agreement shall be coterminous with the PPA contained in Exhibit A.

9.2 This Agreement may be terminated by the Parties if NCPA successfully exercises its right of first refusal to purchase the entire Western GeoPower project as set forth in Section 11.6(e) of the PPA. In the event of termination pursuant to this Section 9.2, the Participants shall pay to NCPA all previously unpaid costs and obligations incurred as of the date of such termination. Following such termination, the Participants shall cooperate and act in good faith to negotiate and agree upon the method of allocating among the Participants in proportion to their respective Participation Percentages the costs and benefits of the PPA and any financing agreements or commitments and any matters pertaining to the administration, management, control, operation and maintenance of the PPA, including, but not limited to, re-subscribing the Project capacity with additional NCPA members or non-member participants. NCPA shall reasonably cooperate with the Participants and other NCPA members in connection with implementing the foregoing, and the Participants shall indemnify NCPA for any costs and obligations incurred in connection therewith, including reasonable attorneys' fees, fees and expenses of other experts, including auditors and accountants and other reasonable and necessary costs.

Section 10. Default and Remedies

10.1 Events of Default. An Event of Default under this Agreement shall exist with respect to a Party (the "Defaulting Party") upon the occurrence of any one or more of the following:

- (i) if any Party fails to make any payment or to provide assurances as required of NCPA under this Agreement when due hereunder two (2) Business Days after receipt of notice given by NCPA of such non-payment; or
- (ii) the failure of the Defaulting Party to perform any other covenant or obligation under this Agreement where such failure is not cured within ten (10) days following receipt of a notice from NCPA demanding cure (provided that this shall not apply to any failure to make payments (which is covered by Section 10.1 (i)); or
- (iii) if any representation or warranty of the Defaulting Party material to the transactions contemplated hereby is or shall prove to have been incorrect in any material respect when made and the Defaulting Party does not cure the facts underlying such incorrect

representation or warranty so that the representation or warranty becomes true and correct within ten (10) calendar days of the date of receipt of notice from any other Party demanding cure; or

(iv) if a Participant is in default or in breach of any of its covenants under any other agreement with NCPA and such default or breach is not cured within the time period(s) specified in such agreement or, if not specified, within ten (10) calendar days of the date of receipt of notice; or

(v) the failure of NCPA to perform any covenant or obligation under this Agreement following the delivery of a ten-day notice to cure by any non-defaulting Member.

10.2 Cure of an Event of Default. An Event of Default shall be deemed cured only if such default shall be remedied within the time period specified in Section 10.1, above, as may be applicable after written notice has been sent to the Defaulting Party from NCPA specifying the default and demanding that the same be remedied provided that failure of a Party to provide such notice shall not be deemed a waiver of such default.

10.3 Participation Rights Of Defaulting Party. Notwithstanding anything herein to the contrary, upon the occurrence of an Event of Default and until such Event of Default is cured, the Participant that is the Defaulting Party shall not have the right to participate under Section 6.2 on any matters with respect to this Agreement.

10.4 Remedies in the Event of Default.

10.4.1 Remedies of NCPA. Upon the occurrence of an Event of Default where a Participant is the Defaulting Party, without limiting its other rights or remedies available under this Agreement, at law or in equity, and without constituting or resulting in a waiver, release or estoppels of any right, action or cause of action NCPA or a non-defaulting Member may have against the Participant, NCPA may:

(i) suspend the provision of goods and/or services under this Agreement to such Defaulting Party, including the delivery of electricity and other attributes of the PPA until the Event of Default is cured; and

(ii) demand that the Defaulting Party provide further assurances to compel the correction of the default, including mandating the collection of a surcharge to produce Revenues to secure the cure of the Event of Default; and

(iii) terminate this Agreement as to the Defaulting Party on ten (10) days' prior written notice to the Defaulting Party and following approval of the non-defaulting Participants.

10.4.2 Sale/Transfer of Participants Account Upon Default. Upon any default of a Participant caused by the failure of such Participant to pay any sums due, and provided that such default is not cured in a timely manner, then NCPA shall use its best efforts to sell and transfer for the Defaulting Party's account all or a portion of the Participant's capacity and/or energy and/or Environmental Attributes for the remainder of the term of this Agreement. Notwithstanding that all or any portion of the Participant's capacity is so sold or transferred, the Participant shall remain liable for all of its obligations hereunder.

10.4.3 Remedies of Participants. Upon the occurrence of an Event of Default, and following the applicable cure periods, where NCPA is the Defaulting Party, the Participant may, without limiting their other rights or remedies available under this Agreement, at law or in equity, and without constituting or resulting in a waiver, release or estoppel of any right, action or cause of action the Participants may have against NCPA, terminate this Agreement, in whole or in part, subject to the provisions of Section 10.5.4.

10.4.4 Special Covenants Regarding Security Account. In the event that a Participant's balance of the Security Account is insufficient to cover all invoices for costs incurred under this Agreement sent to such Participant, then, without limiting NCPA's other rights or remedies available under this Agreement, at law or in equity, such Participant shall cooperate in good faith with NCPA and shall cure the default within thirty (30) days, on an emergency basis, taking all such action as is necessary, including, but not limited to, raising rates and charges to its customers to increase its Revenues to replenish its share of the Security Account as provided herein, drawing on its cash-on-hand and lines of credit, obtaining further assurances by way of credit support and letters of credit, and taking all such other action as will cure the default.

10.5 Effect of Termination or Suspension.

10.5.1 The suspension or termination of this Agreement will not terminate, waive, or otherwise discharge any ongoing or undischarged contingent liabilities or obligations arising from this Agreement until such obligations are satisfied in full, and all of the costs incurred by NCPA in connection with such suspension or termination, including reasonable attorneys' fees, the fees and expenses of other experts, including auditors and accountants, other costs and expenses that NCPA is entitled to recover under this Agreement, and other reasonable and necessary costs associated with any and all of the remedies, are paid in full.

10.5.2 Suspension by NCPA. If performance of all or any portion of this Agreement is suspended by NCPA with respect to a Participant in accordance with Section 10.4.1(i), such Participant shall pay any and all costs and obligations incurred by NCPA as a result of such suspension, including reasonable attorneys' fees, the fees and expenses of other experts, including auditors and accountants, other reasonable and necessary costs associated with such suspension and any portion of the Project Costs that were not recovered from such Participant as a result of such suspension.

10.5.3 Termination by NCPA. If this Agreement is terminated by NCPA with respect to a Participant in accordance with Section 10.4.1 (iii), (i) such Participant shall pay any and all costs and obligations incurred by NCPA as a result of such termination including reasonable attorneys' fees, the fees and expenses of other experts, including auditors and accountants, other reasonable and necessary costs associated with such termination and any portion of the Project Costs that were not, or will not be, recovered from such Participant as a result of such termination; provided, however, if NCPA terminates this Agreement with respect to the last Participant, then this Agreement shall terminate.

10.5.4 Termination by Participants. If this Agreement is terminated by all Participants in accordance with Section 10.4.3, or by unanimous consent of all of the Parties hereto, then the Participants shall pay to NCPA all previously unpaid costs and obligations incurred as of the date of such termination,, and following such termination, the Participants shall cooperate and act in good faith to negotiate and agree upon the method of allocating among the Participants in

proportion to their respective Participation Percentages the costs and benefits of the PPA and any financing agreements or commitments and any matters pertaining to the administration, management, control, operation and maintenance of the PPA. NCPA shall reasonably cooperate with the Participants in connection with implementing the foregoing and the Participants shall indemnify NCPA for any costs and obligations incurred in connection therewith, including reasonable attorneys' fees, fees and expenses of other experts, including auditors and accountants and other reasonable and necessary costs. If the Parties are unable to reach agreement as to the foregoing, then the Parties agree to submit the matter to mediation with a mutually agreed upon mediator. If the Parties are still unable to reach agreement following mediation, then the matter shall be submitted to binding arbitration subject to the rules of the American Arbitration Association, the costs of such arbitration being borne proportionally among the Participants.

Section 11. Miscellaneous.

11.1 Confidentiality. The Participants and NCPA will keep confidential all confidential or trade secret information made available to them in connection with this Agreement, to the extent possible, consistent with applicable laws, including the California Public Records Act. It shall be the responsibility of the holder of the claim of confidentiality or trade secret to defend at its expense against any request that such information be disclosed. Confidential or trade secret information shall be marked or expressly identified as such.

11.2 Indemnification and Hold Harmless. Subject to the provisions of Section 11.4, each Participant agrees to indemnify, defend and hold harmless NCPA and its Members, including their respective governing officials, officers, agents, and employees, from and against any and all claims, suits, losses, costs, damages, expenses and liability of any kind or nature, including reasonable attorneys' fees and the costs of litigation, including experts ("Claims"), to the extent caused by any acts, omissions, breach of contract, negligence (active or passive), gross negligence, recklessness, or willful misconduct of a Participant, its governing officials, officers, employees, subcontractors or agents, to the maximum extent permitted by law.

11.3 Several Liabilities. No Participant shall be liable under this Agreement for the obligations of any other Participant, and each Participant shall be solely responsible and liable

for performance of its obligations under this Agreement, except as otherwise provided for herein, and the obligation of each Participant under this Agreement is a several obligation and not a joint obligation with those of the other Participants.

11.4 No Consequential Damages. FOR ANY BREACH OF ANY PROVISION OF THIS AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER DAMAGES OR REMEDIES ARE HEREBY WAIVED. IF NO REMEDY OR MEASURE OF DAMAGE IS EXPRESSLY PROVIDED, THE LIABILITY OF THE DEFAULTING PARTY SHALL BE LIMITED TO ACTUAL DAMAGES ONLY AND ALL OTHER DAMAGES AND REMEDIES ARE HEREBY WAIVED. IN NO EVENT SHALL NCPA OR ANY PARTICIPANT OR THEIR RESPECTIVE SUCCESSORS, ASSIGNS, REPRESENTATIVES, DIRECTORS, OFFICERS, AGENTS, OR EMPLOYEES BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, SPECIAL, EXEMPLARY, INDIRECT, PUNITIVE OR INCIDENTAL LOSSES OR DAMAGES, INCLUDING LOSS OF USE, LOSS OF GOODWILL, LOST REVENUES, LOSS OF PROFIT OR LOSS OF CONTRACTS EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NCPA AND EACH PARTICIPANT EACH HEREBY WAIVES SUCH CLAIMS AND RELEASES EACH OTHER AND EACH OF SUCH PERSONS FROM ANY SUCH LIABILITY.

The Parties acknowledge that California Civil Code section 1542 provides that: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor." The Parties waive the provisions of section 1542, or other similar provisions of law, and intend that the waiver and release provided by this section of this Agreement shall be fully enforceable despite its reference to future or unknown claims.

11.5 Amendments. Except where this Agreement specifically provides otherwise, this Agreement may be amended only by written instrument executed by the Parties with the same formality as this Agreement.

11.6 Severability. In the event that any of the terms, covenants or conditions of this Agreement or the application of any such term, covenant or condition, shall be held invalid as

to any person or circumstance by any court having jurisdiction, all other terms, covenants or conditions of this Agreement and their application shall not be affected thereby, but shall remain in force and effect unless the court holds that such provisions are not severable from all other provisions of this Agreement.

11.7 Governing Law. This Agreement shall be interpreted, governed by, and construed under the laws of the State of California.

11.8 Headings. All indices, titles, subject headings, section titles and similar items are provided for the purpose of convenience and are not intended to be inclusive, definitive, or affect the meaning of the contents of this Agreement or the scope thereof.

11.9 Notices. Any notice, demand or request required or authorized by this Agreement to be given to any Party shall be in writing, and shall either be personally delivered to a Participant and the Secretary of the Commission or transmitted to the Participant and the Secretary of the Commission at the address shown on the signature pages hereof. The designation of such address may be changed at any time by written notice given to the Secretary of the Commission who shall thereupon give written notice of such change to each Participant.

11.10 Warranty of Authority. Each Participant, and NCPA, represents and warrants that it has been duly authorized by all requisite approval and action to execute and deliver this Agreement and that this Agreement is a binding, legal, and valid agreement enforceable in accordance with its terms as to the Participant and as to NCPA. Upon execution of this Agreement, each Participant shall deliver to NCPA a resolution of the governing body of such Participant, evidencing approval of and authority to enter into this Agreement, that such authority was duly exercised in accordance with such Participant's Constitutive Documents.

11.11 Counterparts. This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument and as if all the signatories to all of the counterparts had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another

counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

11.12 Assignment. Except as provided by Section 7 no Participant may assign or otherwise transfer its interest in its Participation Percentage or any other rights and obligations under this Agreement without the express written consent of NCPA, which shall not be unreasonably withheld.

11.13 Exercise of the Right of First Refusal. Participants shall abide by the NCPA Facilities Agreement in the exercise of any options by NCPA to purchase the underlying assets of the PPA as per the voting procedures of this Agreement outlined in Section 6. Participation in any such purchase shall be in accordance with the then existing Participation Percentages, unless such Participation Percentages are otherwise agreed upon by the Participants.

11.14 List of Exhibits. The Exhibits referenced herein shall be denoted as follows:

Exhibit A - AMENDED AND RESTATED RENEWABLE ENERGY POWER PURCHASE AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND WESTERN GEOPower INCORPORATED

Exhibit B - PARTICIPATION PERCENTAGES

Exhibit C FRAMEWORK AND COST ALLOCATION METHODOLOGY FOR SCHEDULE COORDINATION, DISPATCH AND SETTLEMENT SERVICES

IN WITNESS WHEREOF, each Participant has executed this Agreement with the approval of its governing body, and NCPA has authorized this Agreement in accordance with the authorization of its Commission.

NORTHERN CALIFORNIA
POWER AGENCY

Approved as to Legal Form

By: _____

By: _____

Date: _____

IN WITNESS WHEREOF, each Participant has executed this Agreement with the approval of its governing body, and NCPA has authorized this Agreement in accordance with the authorization of its Commission.

NORTHERN CALIFORNIA
POWER AGENCY

Approved as to Legal Form

By: _____

By: _____

Date: _____

CITY OF LODI

Approved as to From

By: _____
Blair King, City Manager

By: _____
D. Stephen Schwabauer
City Attorney

Date: _____

ATTEST:

By: _____
Randi Johl, City Clerk

Exhibit B
Western GeoPower Project
PERCENTAGE PARTICIPATION
25 MW Capacity

Member	Share	MW
Lompoc	4.0%	1.00
Palo Alto	28.0%	7.00
Port of Oakland	4.0%	1.00
SVP	62.0%	15.50
Healdsburg	2.0%	0.50

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
CITY MANAGER TO EXECUTE AN AMENDED AND RESTATED THIRD
PHASE AGREEMENT WITH THE NORTHERN CALIFORNIA POWER AGENCY
FOR THE WESTERN GEOWATT INC. RENEWABLE ENERGY POWER
PURCHASE AGREEMENT

=====

WHEREAS, on February 20, 2008, the City Council authorized a Third Phase Agreement with the Northern California Power Agency (NCPA) for the Lodi Electric Utility (LEU) to buy energy from NCPA that NCPA would buy from Western GeoPower, Incorporated (WGI); and

WHEREAS, WGI is unable to deliver energy for the previously agreed price of \$98 per megawatt-hour; and

WHEREAS, NCPA and WGI wish to increase the purchase price to \$117 per megawatt-hour and NCPA anticipates full subscription by NCPA members at the higher price; and

WHEREAS, LEU no longer wishes to participate in the purchase from WGI due to the price increase.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the City Manager is hereby authorized to execute an Amended and Restated Third Phase Agreement with NCPA withdrawing LEU from participation in the WGI power purchase agreement, in substantially the form presented with such non-substantive revisions recommended by the Electric Utility Director; and

BE IT FURTHER RESOLVED that the Electric Utility Director is hereby authorized to implement such Agreement.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution of Vacation of Surplus Portion of Loma Drive Lying Adjacent to Parcel Located at 1310 West Turner Road and Authorize City Manager to Execute Agreement to Exchange the Vacated Right-of-Way for Public Improvements

MEETING DATE: September 2, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution of vacation of a surplus portion of Loma Drive lying adjacent to parcel located at 1310 West Turner Road and authorize City Manager to execute an agreement to exchange the vacated right-of-way for public improvements.

BACKGROUND INFORMATION: The west 20 feet of the existing Loma Drive right-of-way between Turner Road and the railroad was dedicated to the City of Lodi as a voluntary gift by a grant deed from Lewis T. and Clara E. Mason recorded on July 28, 1944, in Volume 877, Page 496 in Book of Official Records of San Joaquin County. The 20-foot street right-of-way dedication increased the Loma Drive right-of-way width from 60 feet to 80 feet from Turner Road to the railroad. The Loma Drive right-of-way south of the railroad is 60 feet. It is not known why the additional right-of-way was gifted to the City, and there are no restrictions recorded on the property to be vacated. The 20-foot dedication is not improved with street curb, gutter or sidewalk, and there are no plans to expand Loma Drive. Existing street improvements on Loma Drive south of Turner Road were installed based on a 60-foot right-of-way.

The owner of the property located at 1310 West Turner Road obtained a building permit to remodel the existing residence on the parcel and requested the vacation of a portion of the westerly Loma Drive street right-of-way. Per Streets and Highways Code, Section 8334, excess right-of-way may be summarily vacated if not required for street purposes. The surplus right-of-way includes 3,223 square feet of the original 3,883 square foot right-of-way dedication and lies west of and outside the existing street improvements, as shown on Exhibits A and B. No utilities occupy this area. The remaining 660 square feet of the original dedication will be retained as street right-of-way, and a meandering sidewalk will be installed along Loma Drive by the property owner as a condition of approval of the building permit obtained for the remodel project.

Under Section 8333 of the Streets and Highways Code, a local agency may summarily vacate an easement if the easement has not been used for the purpose it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation.

Pacific Gas and Electric Company, Comcast, AT&T, and the City of Lodi Electric Utility Department, and the Streets and Water/Wastewater Divisions have approved the vacation of street right-of-way without any further comments or conditions. Staff recommends that the right-of-way vacation be approved.

APPROVED: _____
Blair King, City Manager

Adopt Resolution of Vacation of Surplus Portion of Loma Drive Lying Adjacent to Parcel Located at
1310 West Turner Road and Authorize City Manager to Execute Agreement to Exchange the Vacated
Right-of-Way for Public Improvements
September 2, 2009
Page 2

The property within the proposed vacation is owned in fee by the City and will not automatically revert to the adjacent property owner at 1310 West Turner Road upon vacation. The owner wishes to acquire the vacated right-of-way to remedy an encroachment into the right-of-way by the existing garage and to provide the necessary setback to allow the construction of a masonry wall along the Loma Drive frontage for privacy. Since the existing wheelchair ramp at the Turner Road/Loma Drive intersection is not in compliance with current ADA standards, the property owner has offered to remove and replace the existing wheelchair ramp in exchange for the vacated right-of-way. The cost to the property owner for the improvements to the wheelchair ramp (estimated to be \$10,000) is approximately equal to the value of the property being vacated, particularly since the property would have little value on the open market. Staff feels that the owner's request is reasonable and is similar to past practice whereby street improvements have been exchanged for right-of-way dedications.

Staff recommends City Council authorize the City Manager to execute an agreement with the property owner for the exchange of the surplus right-of-way for the removal and replacement of the wheelchair ramp in conformance with City standards and to the approval of the Public Works Department.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Chris Boyer, Junior Engineer

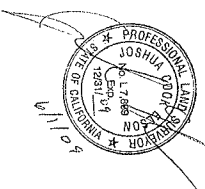
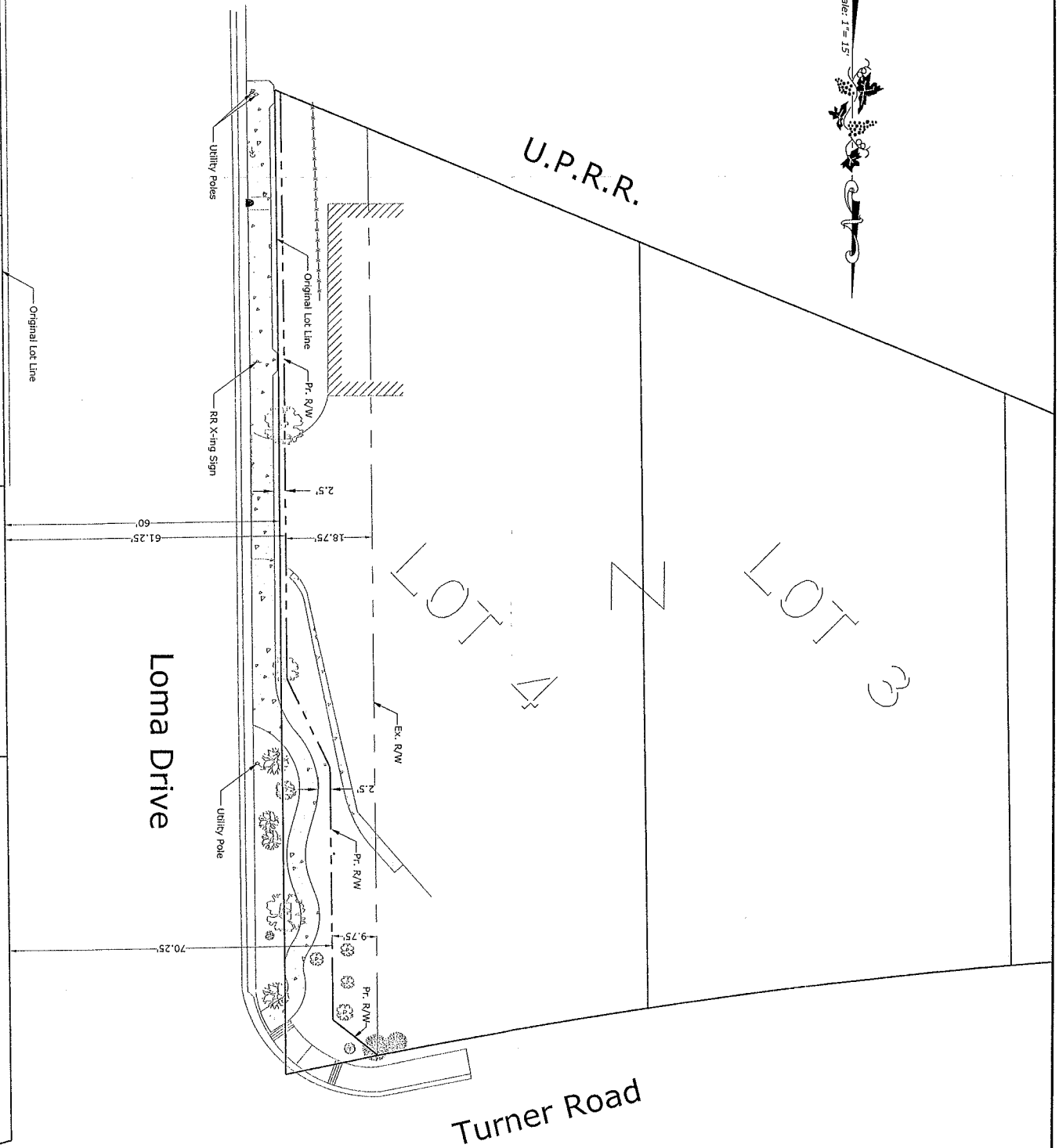
FWS/CRB/pmf

Attachments

cc: Denise Wiman, Senior Engineering Technician
Chris Boyer, Junior Engineer

Exhibit A

Scale: 1" = 15'



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DESIGN: JCE DRAWN BY: JR

APPROVED BY:



PREPARED IN THE OFFICE OF:
BAUMBACH & PIAZZA, INC.
 CIVIL ENGINEERS • SURVEYORS
 www.bpaengineers.net
 323 W. Elm St.
 209 368 6618 1241 CA 95240

1310 W. Turner Road

Proposed Right of Way

prepared for: Mike Stallings

SHEET OF
 1 1

JOB NO. 09021

TITLE

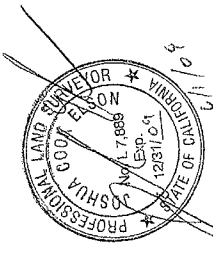
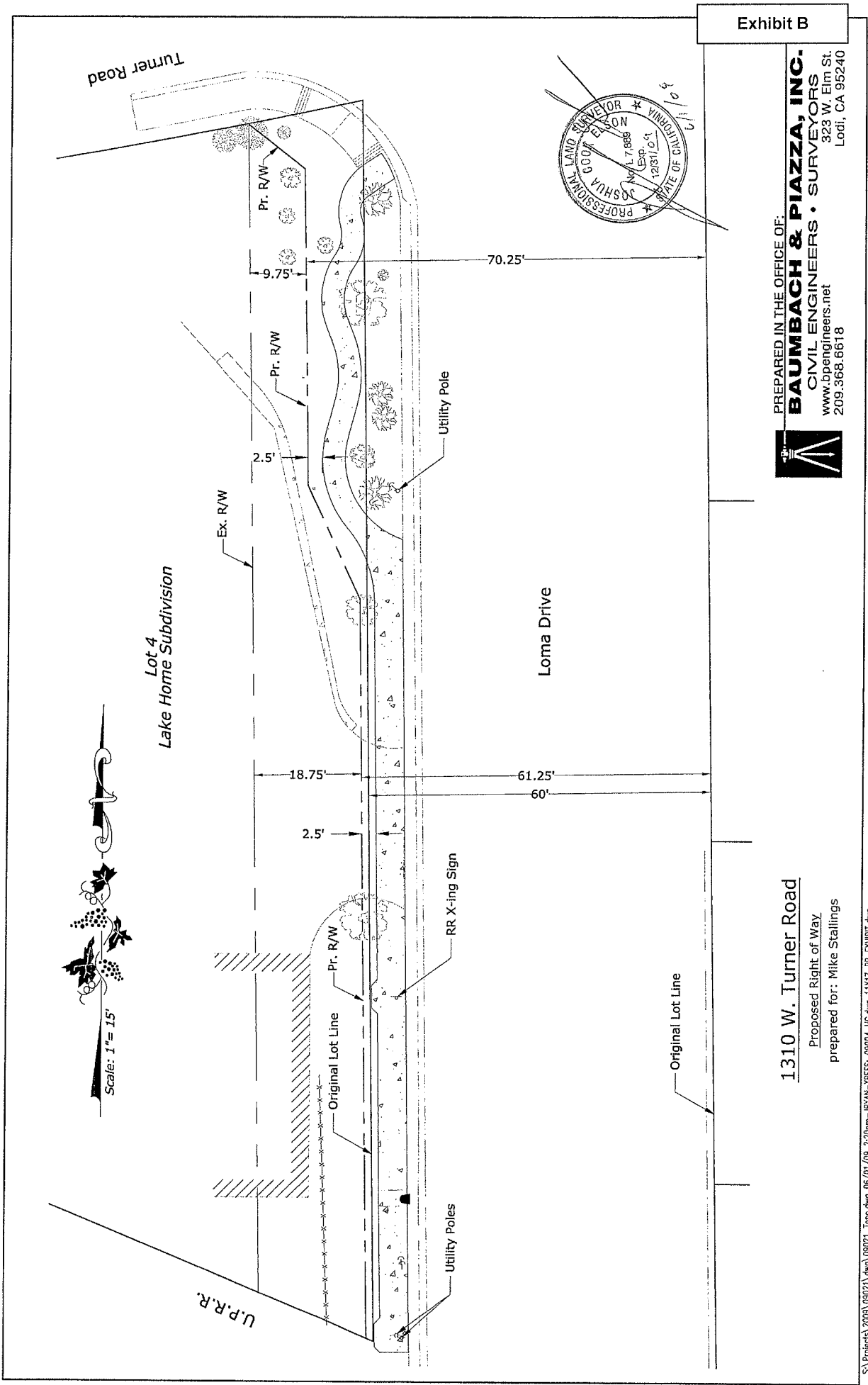


Exhibit B

PREPARED IN THE OFFICE OF:



BAUMBACH & PIAZZA, INC.
 CIVIL ENGINEERS • SURVEYORS
 www.bpengineers.net
 209.368.6618
 323 W. Elm St.
 Lodi, CA 95240

1310 W. Turner Road

Proposed Right of Way
 prepared for: Mike Stallings

WHEN RECORDED, RETURN TO:

City Clerk
City of Lodi
221 West Pine Street
Lodi, CA 95240

AGREEMENT FOR THE ACQUISITION OF VACATED RIGHT-OF-WAY

THIS AGREEMENT is made and entered into by and between the CITY OF LODI, hereinafter referred to as "City" and MICHAEL W. STALLINGS and PATRICIA STALLINGS, husband and wife as joint tenants, hereinafter referred to as "Owner".

RECITALS:

Owner is the owner of that certain real property situated in the City of Lodi, County of San Joaquin, known as 1310 West Turner Road (APN 039-030-03) depicted in Exhibit A attached hereto and incorporated herein by this reference and described as follows:

See Attachment 1

WHEREAS, the City has adopted Resolution of Vacation (Resolution No. 2009-____ attached as Exhibit B) to vacate a surplus portion of Loma Drive lying adjacent to Owner's parcel at 1310 West Turner Road; and

WHEREAS, Owner has obtained a building permit (Permit No. B08-1537) to remodel the existing residence at 1310 West Turner Road; and

WHEREAS, Owner is required to install sidewalk along Loma Drive as a condition of approval of said building permit; and

WHEREAS, Owner wishes to acquire the vacated right-of-way to remedy an encroachment into the right-of-way by an existing garage and to provide the necessary setback to allow the construction of a masonry wall along the Loma Drive frontage for privacy; and

WHEREAS, the existing wheelchair ramp at the southwest corner of the Turner Road/Loma Drive intersection is not in compliance with current ADA standards;

NOW THEREFORE, it is mutually stipulated and agreed as follows:

1. Owner agrees to remove and replace, at Owner's expense, the existing wheelchair ramp at southwest corner of the Turner Road/Loma Drive intersection in conformance with City standards under the terms of an encroachment permit to be obtained from the Public Works Department.
2. City agrees to present Owner with a grant deed for the vacated surplus right-of-way in exchange for the above-specified improvements upon completion and acceptance by the City of said improvements.
3. Owner agrees to assume responsibility for the maintenance of the existing street trees along the Loma Drive frontage of Owner's parcel.

4. City agrees to allow the installation by the Owner or Owner's contractor of private landscape and irrigation improvements that encroach into the remaining Loma Drive right-of-way to facilitate the maintenance of the existing street trees under the terms of an encroachment permit to be obtained from the Public Works Department.
5. Owner agrees to save, defend, indemnify and hold harmless the City, its officers, agents and employees, from liability of any nature whatsoever arising from Owner's use or occupation of the Loma Drive right-of-way or City action requiring the removal and relocation of the encroaching private landscape and irrigation improvements.
6. This agreement shall run with the land and be binding on the Owner, its heirs, successors or assigns.
7. Herein is set forth the entire agreement between the parties. The performance of these conditions constitutes full performance and shall relieve City of all further obligations or claims.
8. In the event either party hereto breaches the terms, conditions and covenants of this Agreement, then the prevailing party in any suit to enforce this Agreement or restrain the breach thereof, shall in addition to any other relief or damages awarded, be entitled to a reasonable attorney's fee and all costs of suit to be set and determined by any court of competent jurisdiction and added to any judgment obtained.
9. This agreement shall be recorded in the office of the San Joaquin County Recorder, P. O. Box 1968, Stockton, California, 95201-1968.

IN WITNESS WHEREOF, Owner and City have caused their names to be hereunto affixed and the City of Lodi has caused its corporate name and seal to be hereunto affixed by its proper officers thereunto duly authorized.

MICHAEL W. STALLINGS

Date

PATRICIA STALLINGS

(CORPORATE SEAL)

CITY OF LODI, A MUNICIPAL CORPORATION

By: _____
Blair King, City Manager

Date

ATTEST:

Randi Johl, City Clerk

Date

APPROVED AS TO FORM:

D. Stephen Schwabauer, City Attorney



Exhibit A

Scale: 1"= 15'

U.P.R.R.

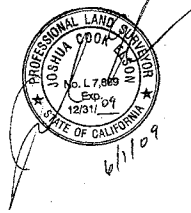
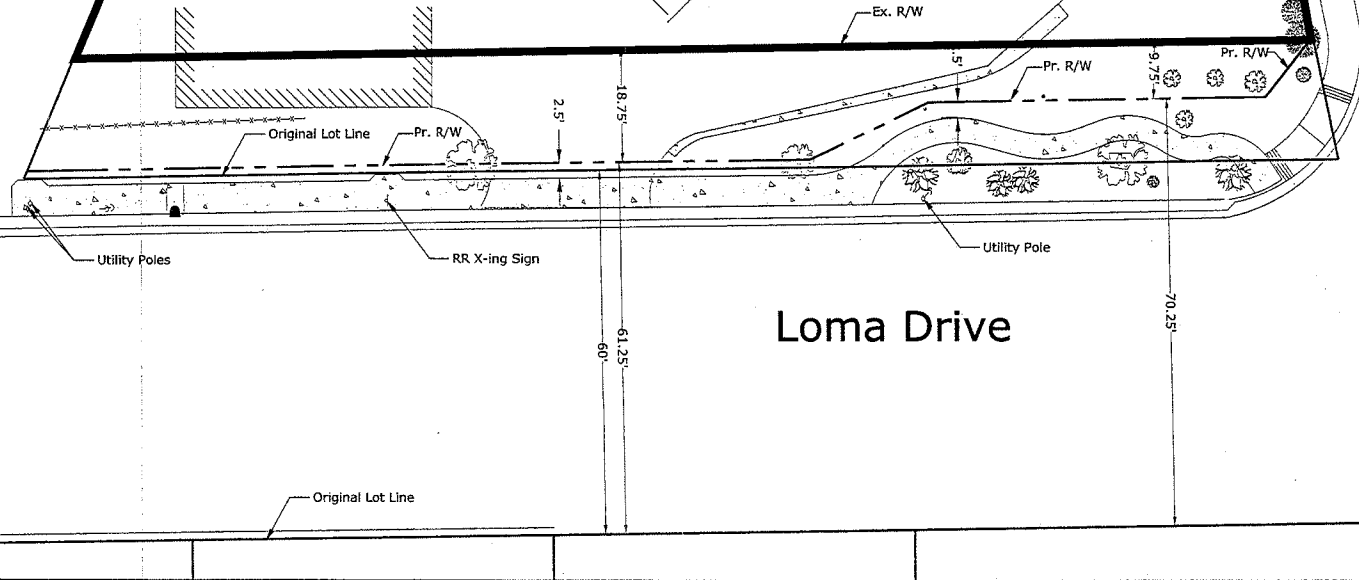
APN: 039-030-03

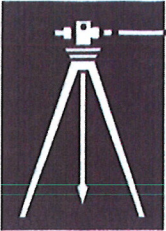
LOT 3

LOT 4

Turner Road

Loma Drive





BAUMBACH & PIAZZA, INC.

CIVIL ENGINEERS • LAND SURVEYORS

www.bpenginers.net

323 W. Elm Street
Lodi, CA 95240-2003
Phone (209) 368-6618
Fax (209) 368-6610

Legal Description
Mike Stallings
APN: 039-030-03

All that certain real property situated in the City of Lodi, County of San Joaquin, State of California, and being more particularly described as follows:

All of Lots 3 and 4, as shown on the Map entitled, "LAKE HOME SUBDIVISION" recorded in Volume 11 of Maps and Plats, Page 30, San Joaquin County Records.

EXCEPT THEREFROM a portion of said Lot 4 and being more particularly described as follows:

Beginning at the southeast corner of said Lot 4; thence North $67^{\circ}18'00''$ West, 1.36 feet along the south line of said Lot 4; thence North $00^{\circ}54'00''$ West, 129.80 feet parallel with the east line of said Lot 4; thence North $25^{\circ}04'39''$ West, 21.97 feet; thence North $00^{\circ}54'00''$ West, 55.75 feet parallel with said east line; thence North $51^{\circ}17'29''$ West, 12.75 feet to the North line of said Lot 4; thence easterly along said North line along a curve to the left having a radius of 1240.00 feet, a central angle of $0^{\circ}56'42''$, and an arc length of 20.45 feet to the northeast corner of said Lot 4; thence South $00^{\circ}54'00''$ East, 218.18 feet along the east line of said Lot 4 to the point of beginning.



Joshua Cook Elson
8/7/09

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
VACATING A SURPLUS PORTION OF LOMA DRIVE
LYING ADJACENT TO PARCEL LOCATED AT
1310 WEST TURNER ROAD AND AUTHORIZING THE
CITY MANAGER TO EXECUTE AN AGREEMENT WITH
MICHAEL AND PATRICIA STALLING TO EXCHANGE
THE VACATED RIGHT-OF-WAY FOR PUBLIC
IMPROVEMENTS

=====

WHEREAS, Michael and Patricia Stallings, the owners of 1310 West Turner Road (the "Property") have requested the vacation of a portion of a 20-foot street right-of-way dedicated to the City of Lodi on July 28, 1944, and more particularly described in Attachment 1 and delineated on the attached map marked Exhibit A; and

WHEREAS, the right-of-way has not been used by the City for the purpose for which it was dedicated or for any other use; and

WHEREAS, the Streets and Highways Code of the State of California §8333 provides that the legislative body of a local agency may summarily vacate a public service easement if the easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation and the easement has been superceded by relocation and there are no other public facilities located within the easement; and

WHEREAS, pursuant to the requirements of Government Code §27288.1, the names of the owners of the title or interest in the Property as they appear on the latest equalized assessment roll are:

Owners: Michael and Patricia Stallings

WHEREAS, in accordance with Streets and Highways Code §8300 et seq., it is the desire of the City Council of the City of Lodi to vacate such street right-of-way; and

WHEREAS, the property within the proposed vacation is owned in fee by the City of Lodi and will not automatically revert to the adjacent property owners at 1310 West Turner Road upon vacation; and

WHEREAS, the owners of 1310 West Turner Road wish to acquire the vacated right-of-way to remedy an encroachment into the right-of-way by the existing garage and to provide the necessary setback to allow the construction of a masonry wall along Loma Drive frontage; and

WHEREAS, the existing wheelchair ramp at the Turner Road/Loma Drive intersection if constructed today would not be in compliance with current ADA standards, the property owners of 1310 West Turner Road have offered to remove and replace the existing wheelchair ramp in exchange for the vacated right-of-way; and

WHEREAS, the cost to the City to install a wheelchair ramp in conformance with current ADA standards is approximately \$10,000; and

WHEREAS, staff feels the owners' request is reasonable and is similar to past practice whereby street improvements were provided by the City in exchange for right-of-way dedications.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council as follows:

1. That the 20-foot street right-of-way located on the westerly side of Loma Drive between Turner Road and the railroad be vacated; and
2. That from and after the date this resolution is recorded, such property will no longer constitute a street right-of-way; and
3. That in exchange for the removal and replacement of the existing wheelchair ramp located at the intersection of Turner Road and Loma Drive with an ADA-compliant wheelchair ramp by the Property owners, the City of Lodi will transfer the vacated right-of-way to the Property owners, Michael and Patricia Stallings.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

Exhibit A

Scale: 1"= 15'

U.P.R.R.

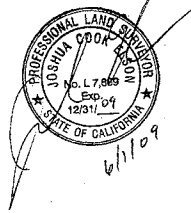
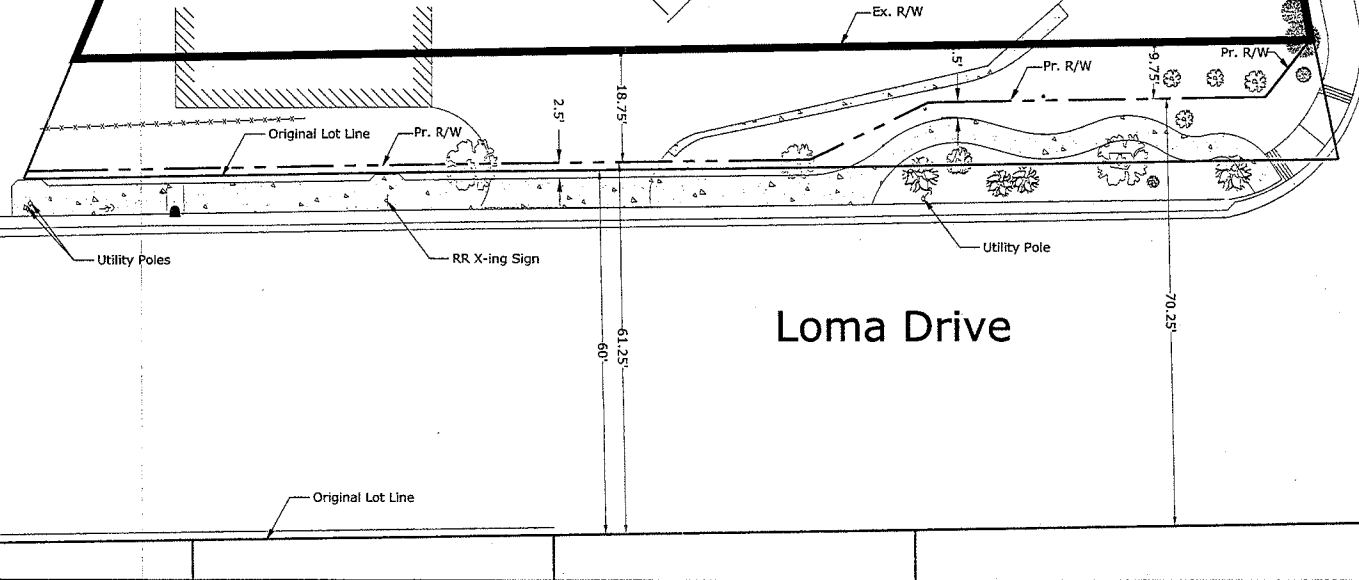
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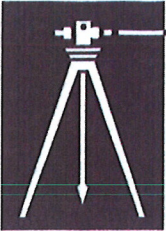
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Joshua Cook Elson
8/7/09



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Appoint Electric Utility Director to Northern California Power Agency and Transmission Agency of Northern California

MEETING DATE: September 2, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Appoint Electric Utility Director as alternate to the Northern California Power Agency (NCPA) and delegate to the Transmission Agency of Northern California (TANC).

BACKGROUND INFORMATION: With the resignation of Electric Utility Director George Morrow, it is appropriate to update the representatives serving on NCPA and TANC. Filling these positions is part and parcel to the job duties of the Electric Utility Director; therefore, it is recommended that the position of Electric Utility Director be appointed to serve as alternate on NCPA and as delegate on TANC.

Northern California Power Agency

Electric Utility Director, Alternate

ALSO CURRENTLY SERVING:

Larry Hansen, Delegate
Susan Hitchcock, Alternate

Transmission Agency of Northern California

Electric Utility Director, Delegate

ALSO CURRENTLY SERVING:

Larry Hansen, Alternate
Susan Hitchcock, Alternate

FISCAL IMPACT: N/A

FUNDING AVAILABLE: N/A

Randi Johl
City Clerk

RJ/JMR

APPROVED:

Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Set the Public Hearing for September 16, 2009, to Consider the Reallocation of Available Urban County Community Development Block Grant and HOME Program Funding

MEETING DATE: September 2, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Set the Public Hearing for September 16, 2009, to consider the reallocation of available Community Development Block Grant (CDBG) and HOME Program funding.

BACKGROUND INFORMATION: The City of Lodi separated from the Urban County and now receives Federal CDBG Program funds directly from the U.S. Department of Housing and Urban Development (HUD), there is a balance of both CDBG and HOME Program funds through previous Urban County allocations that need to be spent. As those projects and activities funded through the Urban County are completed, the balance of unused and available funding will need to be reallocated to projects that can use the funds by June 30, 2010. To this point, the following funding balances have been identified as available for reallocation to eligible projects.

CDBG Program

Project LOD 08-03	Elm Street Demolition Project	\$53,859.09
Project LOD 08-12	Graffiti Abatement – Private Prop	\$52,500.00
Project LOD 08-19	Elm Street Handicap Ramps	\$23,524.00

HOME Program

Housing Rehab Loan Program	\$230,666.64
----------------------------	--------------

Staff is considering a number of eligible projects for funding. Details of those projects and subsequent recommendations will be included in the staff report for the Public Hearing on September 16, 2009.

FISCAL IMPACT: None

FUNDING AVAILABLE: Urban County CDBG Program Funding

Konradt Bartlam
Community Development Director

KB/jw

APPROVED: _____
Blair King, City Manager

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to Consider Adoption of Resolution Levying Annual (2010) Assessment for Downtown Lodi Business Improvement Area No. 1 and Confirming the Downtown Lodi Business Partnership 2009-10 Annual Report (as Approved by Council on August 19, 2009)

MEETING DATE: September 2, 2009

PREPARED BY: City Manager

RECOMMENDED ACTION: Conduct public hearing to consider adoption of resolution levying annual (2010) assessment for Downtown Lodi Business Improvement Area No. 1 and confirming the Downtown Lodi Business Partnership 2009-10 Annual Report (as approved by Council on August 19, 2009).

BACKGROUND INFORMATION: The Downtown Lodi Business Improvement Area No. 1 2009-10 Annual Report was presented and approved by the City Council on August 19, 2009. The Council established September 2, 2009, as the public hearing date during which time the public would have an opportunity to present written or oral protests to the assessment being proposed. The public hearing is established pursuant to Section 36535 of the California Streets & Highways Code.

Pursuant to Lodi Municipal Code Section 12.06.110: The purpose of this process is to comply with the Act provisions regarding public notice and hearing prior to establishing the benefit fees for the following billing period. City shall not adopt, modify, or otherwise amend any billing period budget of the area that is inconsistent in any way with such billing period's budget as agreed to and presented by the board except in the case of a written majority protest (regarding elimination or modification of any specific budget item) from business owners which will pay 50 percent or more of the fees proposed to be levied as to any specific budget item pursuant to the Streets and Highways Code Section 36525(b). In such case, the written protest regarding any specific budget item shall be grounds to eliminate or modify such expenditure from the area's proposed budget pursuant to the written protest.

Streets and Highways Code 36535(c) states: At the conclusion of the public hearing, the City Council may adopt a resolution confirming the report as originally filed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the report.

FISCAL IMPACT: The Downtown Lodi Business Partnership (DLBP) was established in order to create the mechanisms necessary to give Downtown Lodi the ability to compete regionally as a shopping center and entertainment destination.

The purpose of the assessment is to pool contributions of individual business owners in order to provide the DLBP with the resources to provide marketing and events coordination.

FUNDING AVAILABLE: As collected by the City on behalf of the DLBP.

BK/jmr
Attachments

Blair King
City Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LODI CONFIRMING THE 2010 ANNUAL REPORT FOR THE
DOWNTOWN LODI BUSINESS IMPROVEMENT AREA NO. 1
AND LEVY OF ASSESSMENT

=====

WHEREAS, Downtown Lodi Business Improvement Area No. 1 was established December 17, 1997, by Council adoption of Ordinance No. 1654; and

WHEREAS, the Annual Report, as required by Streets and Highways Code §36533, has been submitted to the City Council by the Board of Directors of said Improvement Area; and

WHEREAS, a public hearing was held as required by Streets and Highways Code §36535 on September 2, 2009, in the City Council Chambers at Carnegie Forum, 305 West Pine Street, Lodi, California, at 7:00 pm., or as soon thereafter as possible, to consider protests to the assessment levy.

NOW, THEREFORE, the City Council of the City of Lodi does hereby resolve, determine, and find as follows:

- 1) The required public hearing was duly held, at which time the public was allowed to present written or oral protests to the levy of assessment for Downtown Lodi Business Improvement Area No. 1.
- 2) A majority protest as defined in the Streets and Highways Code §36525 was not made.
- 3) The 2009-10 Annual Report as submitted on August 19, 2009, by the Board of Directors of the Improvement Area to the City Council is hereby confirmed as originally filed and attached hereto.
- 4) The confirmation of the report and adoption of this resolution constitutes the levy of the assessment as contained in the Annual Report for the calendar year 2010.

Date: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the Lodi City Council in a regular meeting held September 2, 2009, by the following vote:

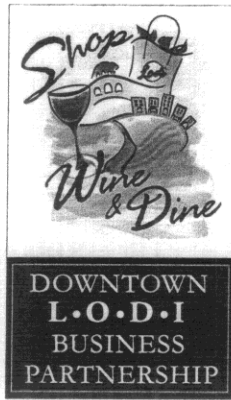
AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



RECEIVED
2009 AUG 10 AM 10:41

CITY CLERK
CITY OF LODI

August 10, 2009

Mr. Blair King, City Manager
City of Lodi
221 W. Pine Street
Lodi, CA 95240

Re: Annual Report 2009

Dear Blair:

Section 11.0 of the City Ordinance Number 1654, establishing the Downtown Lodi Business Improvement Area, requires that we submit to you by September of each year our annual report and budget.

In addition, the State of California Streets and Highways code, which is the enabling legislation, also specifies that certain additional information be provided. You will find all of the required information contained in our report.

We have provided you with eight copies, five for the City Council, one for the City Clerk, one for City Attorney and one for yourself.

Thank you for your continued support.

Sincerely,

Jaime Watts, Executive Director
Downtown Lodi Business Partnership

DRAFT

2038309
ENDORSED
FILED

In the office of the Secretary of
of the State of California

MAR 31 1998

Bill Jones
BILL JONES, Secretary of State

ARTICLES OF INCORPORATION OF
DOWNTOWN LODI BUSINESS PARTNERSHIP
A California Nonprofit Mutual Benefit Corporation

One: The name of the corporation is Downtown Lodi Business Partnership (A California Nonprofit Mutual Benefit Corporation).

Two: This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

Such purposes for which this corporation is formed are to promote and improve the downtown Lodi business area, to generally improve business conditions in the downtown area, and to generally enhance the downtown area of the City of Lodi. Notwithstanding any other provision of these articles, this corporation shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

Three: The name and address of the corporation's initial agent for service of process is Ronald M. Beckman, Esq., 111 N. Church Street, Lodi, California, 95240.

Four: The right to determine the consideration for which memberships will be issued shall be vested in the Regular Members, to be determined by a majority vote of the Regular Members in good standing.

Five: No part of the net earnings of the corporation shall inure to the benefit of any member or private shareholder, as defined for purposes of Section 501 (c) (6) of the Internal Revenue Code of 1954.

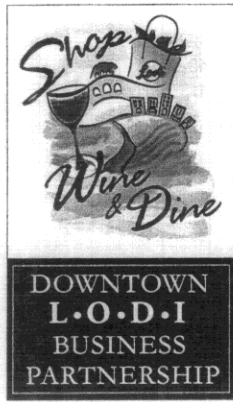
Dated: March 31, 1998

Ronald M. Beckman

Ronald M. Beckman, Incorporator

DRAFT





2009 ANNUAL REPORT

Items listed below refer to Section 36533(b) of the California Streets and Highway Code:

No changes in boundaries of benefit zones within the area are proposed.

No physical improvements are planned.

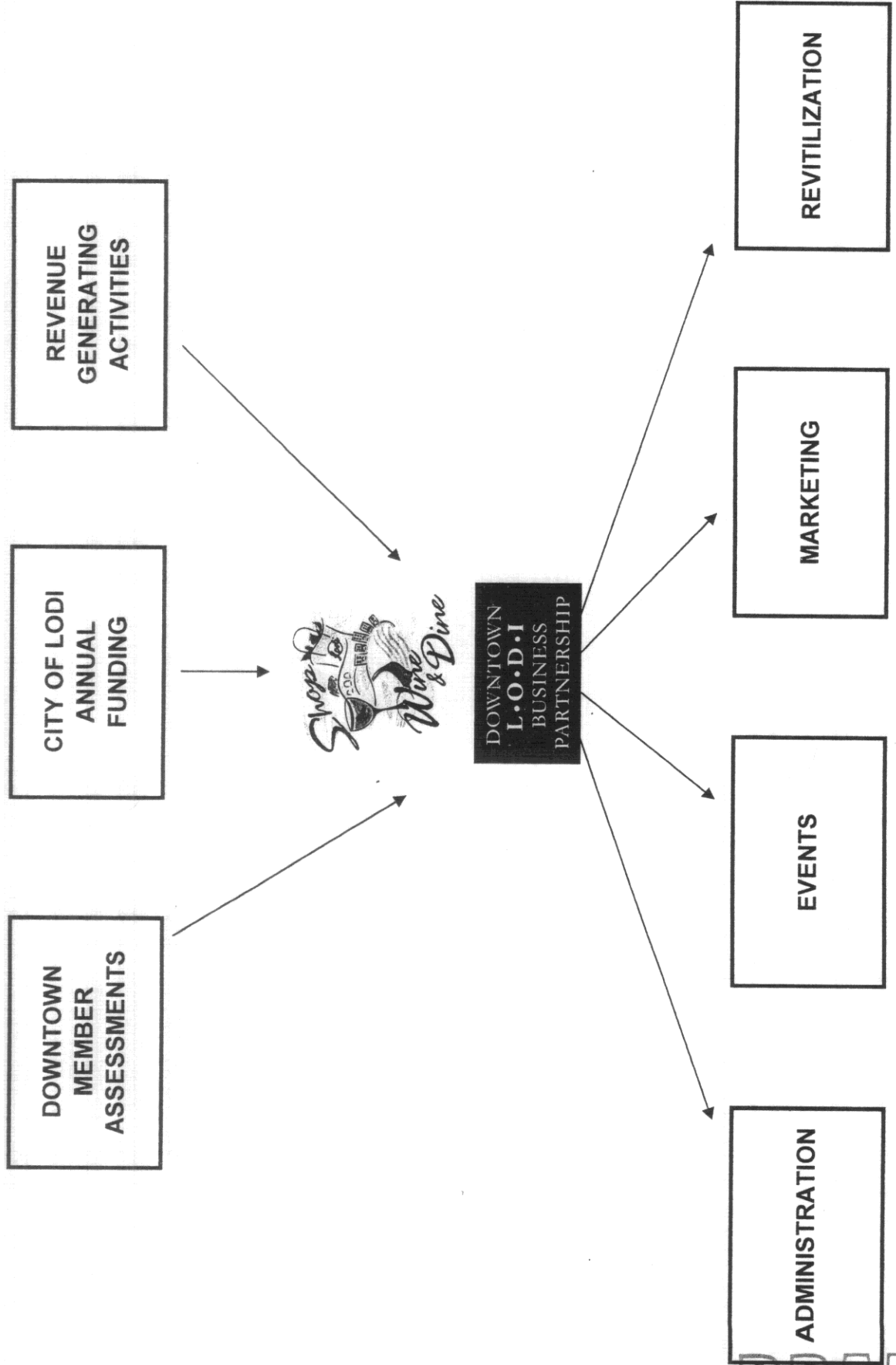
Budget for the 2009 calendar year is enclosed.

The budget details all sources of income and projected expenses.

A Benefit Fee Schedule and a Map of the Business Improvement Area are enclosed.

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Downtown Lodi Business Partnership Overview



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Downtown Lodi Business Partnership

Proposed Budget

January 1, 2009 through December 31, 2009

Income

Assessment Fees	38000.00
City of Lodi	31950.00
Event Revenue	
Farmers Market	55000.00
Parade of Lights	15000.00
Street Banner Program	3000.00
Grape Festival Youth Parade	1000.00
Community Trick-or-Treat & Fall Fest	300.00
Winterfest	2500.00
Miscellaneous Events & Sales	<u>5000.00</u>
Total Income	151750.00

Expenses

Event Expenses	
Farmers Market	27000.00
Parade of Lights	3000.00
Street Banner Program	600.00
Grape Festival Youth Parade	700.00
Community Trick-or-Treat & Fall Fest	500.00
Winterfest	2500.00
Miscellaneous Events & Sales	1000.00
Marketing Expenses	
Advertising, Marketing & Promotions	4000.00
Travel	1800.00
Public Relations	1000.00
Seminars & Conferences	1500.00
Website	2000.00
Membership Expenses	
Newsletters	600.00
Quarterly Mixers	250.00
Plaques & Trophies	400.00
Sunshine Committee	500.00
Revitalization Expenses	
Downtown Beautification	5000.00
Kiosk Maintenance	1500.00

DRAFT

Administrative	
Director's Salary	47100.00
Staff Wages	12000.00
Payroll Taxes	5200.00
Contract Labor	500.00
Insurance	12000.00
Professional Fees	2700.00
Rent	4800.00
Storage	2000.00
Office Supplies	4000.00
Office Equipment	500.00
Bank & Merchant Fees	600.00
Postage	500.00
Utilities (phone, internet, etc.)	<u>6000.00</u>
Total Expenses	151750.00
Net Income	0.00

DRAFT

08/09/09
Cash Basis

Downtown Lodi Business Partnership
Profit & Loss
January through December 2008

Jan - Dec 08

Ordinary Income/Expense	
Income	
City of Lodi Funds	35,000.00
Member Assessment Fees	41,190.00
Event Revenue	
Advertising & Promotion Revenue	2,855.00
Beverage Sales	25,749.90
Parade Entry Fees	6,515.00
Sponsorship	19,806.00
Vendor Fee	31,091.00
Other Income	4,290.00
Total Event Revenue	90,306.90
Total Income	166,496.90
Expense	
Reconciliation Discrepancies	-9.57
Administrative Expenses	
Licenses & Permits	20.00
Bank Service Charges	637.72
Contract Labor	1,107.50
Dues and Subscriptions	178.70
Insurance-D & O and State Fund	1,529.13
Insurance - Events Liability	5,722.32
Interest	300.22
Miscellaneous	-2,434.63
Office Maintenance & Repairs	689.49
Office Supplies	4,322.79
Payroll Expenses	
Director's Wages	47,649.77
Staff Wages	8,567.72
Payroll Taxes	5,390.38
Total Payroll Expenses	61,607.87
Penalties	220.00
Professional Fees	2,138.25
Rent	6,320.00
Security	130.55
Taxes	10.00
Utilities	5,196.14
Total Administrative Expenses	87,696.05
Event Expenses	
Advertising	11,972.40
Awards/Banners/Posters	3,281.54
Beverage Expense	23,449.03
Entertainment	8,312.90
Equipment Rental	1,542.86
Labor/Repairs	8,968.72
License/Permits/Inspection	1,957.61
Mileage & Meetings	43.51
Other Expense	0.00
Postage & Delivery	438.40
Marketing / Promotions	851.09
Sanitation	2,074.26
Supplies	3,338.73
Total Event Expenses	66,231.05
Marketing Expenses	
Advertising & Promotions	4,615.50
Mileage & Meetings	803.74
Public Realtions	85.00

DRAFT

DRAFT Page 1

08/09/09
Cash Basis

Downtown Lodi Business Partnership
Profit & Loss
January through December 2008

	Jan - Dec 08
Seminars & Marketing Campaigns	254.32
Total Marketing Expenses	5,758.56
Membership	
Labor/Repairs	60.00
Newsletter	110.00
Plaques & Trophies	75.04
Postage and Delivery	493.32
Quarterly Mixers	260.00
Sunshine Committee	614.50
Total Membership	1,612.86
Revitalization	
Kiosk Update	555.36
Map & Directory Brochures	1,740.00
Downtown Beautification	
Supplies	407.04
Labor/Repairs	710.00
Total Downtown Beautification	1,117.04
Total Revitalization	3,412.40
Total Expense	164,701.35
Net Ordinary Income	1,795.55
Other Income/Expense	
Other Income	
Insurance Proceeds Received	2,730.00
Interest Income	4.57
Total Other Income	2,734.57
Other Expense	
Casualty/Theft Loss	3,230.00
Total Other Expense	3,230.00
Net Other Income	-495.43
Net Income	1,300.12

08/09/09
Cash Basis

Downtown Lodi Business Partnership
Balance Sheet
As of December 31, 2008

	Dec 31, 08
ASSETS	
Current Assets	
Checking/Savings	
Farmers & Merchants Bank	-36.00
Savings Account	79.48
Petty Cash	92.24
Total Checking/Savings	135.72
Total Current Assets	135.72
Fixed Assets	
Accum Deprec-Equip	
Equipment	
Office Equipment 12/30/00	
Cost	2,962.63
Accumulated Depreciation	-2,962.63
Total Office Equipment 12/30/00	0.00
Office Equipment 06/01/02	
Cost	2,653.37
Accumulated Depreciation	-2,298.00
Total Office Equipment 06/01/02	355.37
PA System 07/16/2004	
Cost	1,156.12
Accumulated Depreciation	-794.00
Total PA System 07/16/2004	362.12
Cell Phone 08/10/07	
Cost	549.18
Accumulated Depreciatino	-110.00
Total Cell Phone 08/10/07	439.18
Total Equipment	1,156.67
Computer Equipment	
HP LaserJet36 Printer 04/18/08	
Cost	479.46
Total HP LaserJet36 Printer 04/18/08	479.46
Laser Printer 03/24/05	
Cost	700.89
Accumulated Depreciation	-499.00
Total Laser Printer 03/24/05	201.89
Total Computer Equipment	681.35
Computers 08/29/06	
Cost	3,753.97
Accumulated Depreciation	-1,952.00
Total Computers 08/29/06	1,801.97
Total Accum Deprec-Equip	3,639.99
Furniture & Fixtures	
Vehicles	
Trailer 07/31/05	
Cost	235.69
Accumulated Depreciation	-133.00
Total Trailer 07/31/05	102.69

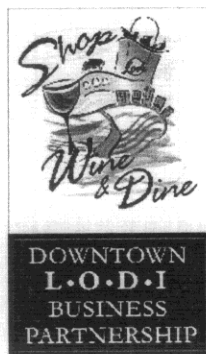
DRAFT

08/09/09
Cash Basis

Downtown Lodi Business Partnership
Balance Sheet
As of December 31, 2008

	Dec 31, 08
Total Vehicles	102.69
Daniger Table & 8 Chairs5/25/06	
Cost	839.00
Accumulated Depreciation	-325.00
Total Daniger Table & 8 Chairs5/25/06	514.00
Refrigerator 06/02/08	
Cost	300.00
Total Refrigerator 06/02/08	300.00
Storage Shelving Unit 05/09/08	
Cost	247.82
Total Storage Shelving Unit 05/09/08	247.82
Wine Garden Furniture 07/29/04	
Cost	1,326.17
Accumulated Depreciation	-912.00
Total Wine Garden Furniture 07/29/04	414.17
Total Furniture & Fixtures	1,578.68
Total Fixed Assets	5,218.67
TOTAL ASSETS	5,354.39
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-500.00
Total Accounts Payable	-500.00
Other Current Liabilities	
Payroll Liabilities	2,275.21
Employee Expense Reimbursement	-10.76
Total Other Current Liabilities	2,264.45
Total Current Liabilities	1,764.45
Total Liabilities	1,764.45
Equity	
Retained Earnings	2,289.82
Net Income	1,300.12
Total Equity	3,589.94
TOTAL LIABILITIES & EQUITY	5,354.39

DRAFT



DOWNTOWN LODI BUSINESS PARTNERSHIP BENEFIT FEE SCHEDULE

BUSINESS TYPE	ZONE A	ZONE B
Retailers/Restaurants*	\$240 (1-3 Employees)	\$120
	\$360 (4-6 Employees)	\$180
	\$480 (7+ Employees)	\$240
Service Businesses	\$180	\$90
Professional Businesses	\$120	\$60
Financial Institutions	\$600	\$600

**Note: Retail and restaurant businesses are assessed based on the number of employees - either full-time, or the equivalent made up of multiple employees.*

BUSINESS TYPE DEFINITIONS:

Retail and Restaurant – Businesses that buy and resell goods. Examples would be clothing stores, shoe stores, office supplies, as well as businesses that sell prepared food and drinks.

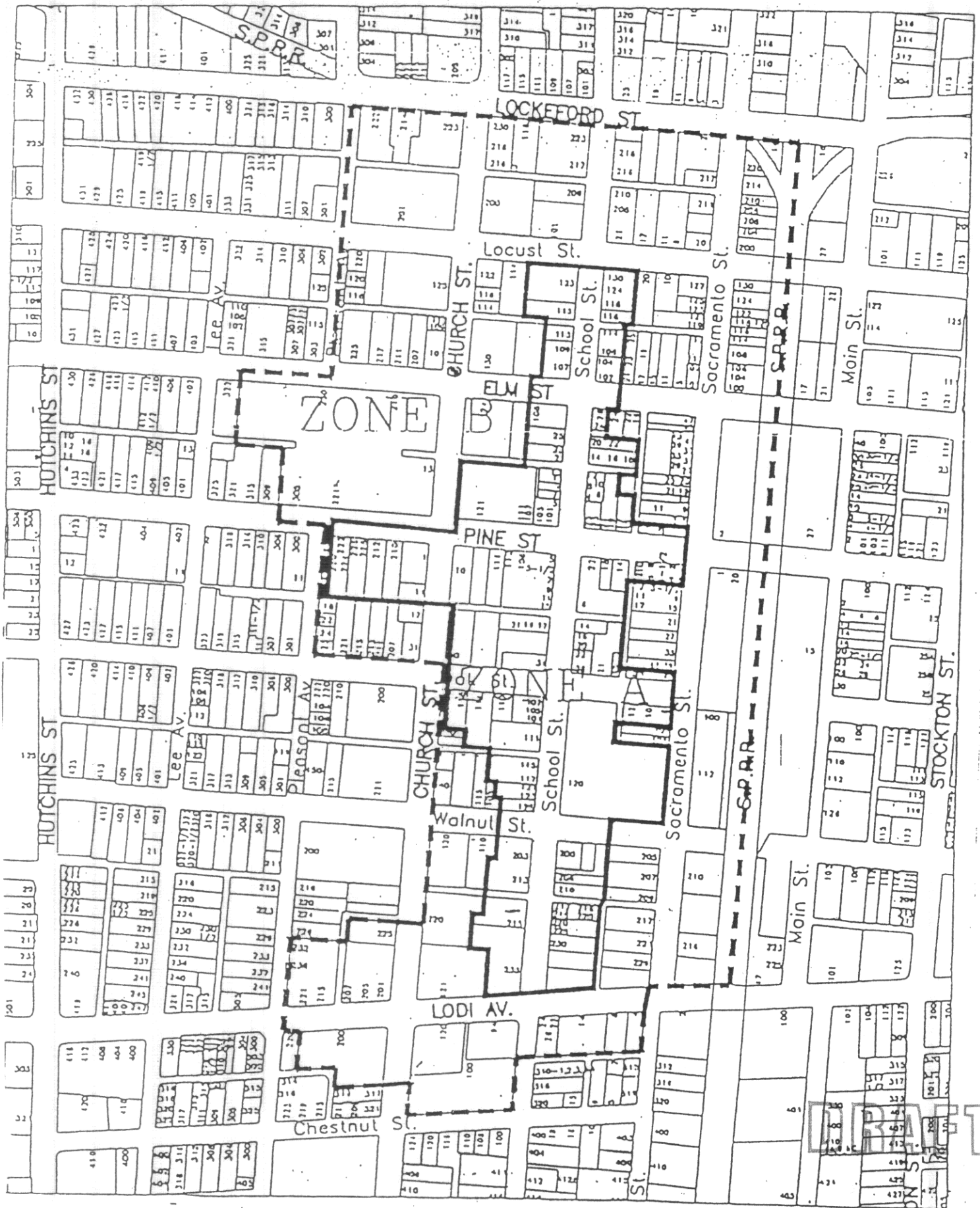
Service Businesses – Businesses that sell services. Examples are beauty and barber shops, repair shops, lodging, most automotive-oriented businesses, entertainment businesses such as theaters, etc.

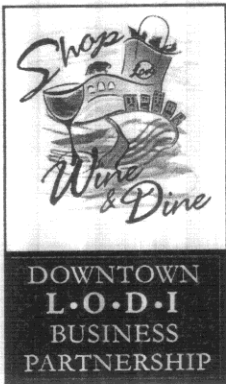
Professional Businesses – Includes architects, engineers, attorneys, dentists, doctors, accountants, optometrists, realtors, insurance offices, mortgage brokers and most other businesses which require advanced or specialized licenses, and/or advanced academic degrees.

Financial Institutions – Includes banking and savings and loan institutions, as well as credit unions, etc.

Downtown Lodi Business Partnership
4 West Pine Street, Lodi, California 95240
209.369.8052 phone 209.369.8053 fax
www.downtownlodi.com

DRAFT





A detailed Marketing Plan describing the below bullet points will be included in the final copy of the annual report submitted and presented at the council meeting on August 19, 2009

2008 Accomplishments

Brand Image Campaign

- New Logo
- Redesigned Website
- Revamped Brochure
- Developed and Installed New Kiosk Maps

Downtown Beautification

- New Street Light Banners
- Flower Planting of City Pots
- Co-funded Sidewalk Power Washing Project
- Downtown Holiday Decorations
 - 25' Tree in Post Office Plaza, Holiday Banners, Fresh Swags on Street Corners

Media Relations

- TV Spots on Good Day Sacramento and Channel 13 News
- Radio Spots on KJOY
- News Articles in Lodi News-Sentinel, Stockton Record, San Joaquin Magazine
- Network with the Media and Public Through Interactive Web Pages; Twitter, Facebook

Events To Drive Traffic To Downtown

- Downtown Lodi Certified Farmers Market
- Parade of Lights
- "Stuck in Lodi" Car Show
- Grape Festival Youth Parade
- Downtown Trick-or-Treat & Fall Festival
- Winterfest; Horse-drawn Carriage Rides, Photos with Santa
- Merchant Promotions and Window Decorating Contests

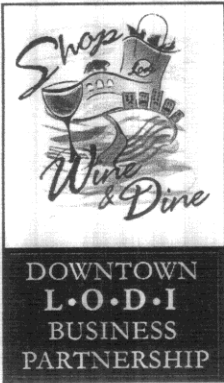
Community Outreach

- Represented Downtown on Committees for City-wide Activities
- Participated in Various Expos Outside of Lodi
- Coordinate and Promote School Field Trips and Safety Fairs

Member Benefits

- Quarterly Mixers
- Bi-Monthly Newsletter
- Lodi News-Sentinel Tab Insert
- Business Referral Database
- Business Directory and Link on Website
- Member Discounts on Marketing Programs

DRAFT



A detailed Marketing Plan describing the below bullet points will be included in the final copy of the annual report submitted and presented at the council meeting on August 19, 2009

2009 Goals/Accomplishments

Develop Relationships with Downtown Property Owners

- Created a new web component that allows property owners to list their available downtown properties, contact information and photos.

Explore Additional Funding Sources

- Researching grants that apply to downtown development
- Joined the California Downtown Association (CDA)

Expand Current Programs

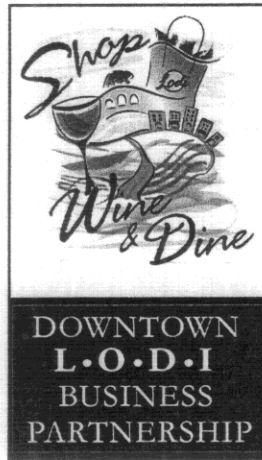
- Designed a marketing bundle package for members and non-members which includes: Annual Banner Attachment Program, Website Advertisement and Website Page with Link.

Enhance Existing Events

- Redesigned the layout of Farmers Market to include a wine garden featuring all four downtown wine tasting rooms and live entertainment on the North end of the market.

The Downtown Lodi Business Partnership is constantly exploring new ways to better promote and market downtown. We will be keeping council and staff updated on the progress and success of the organization.

DRAFT



DOWNTOWN LODI BUSINESS PARTNERSHIP EVENTS

Farmers Market Overview

Downtown Lodi Business Partnership hosts The Downtown Certified Farmers Market. The family friendly market is held every Thursday evening beginning in June throughout the end of September.

Over 25 certified farmers offer an array of fresh produce and flowers. 50 homemade and commercial arts and craft vendors line the streets of downtown attracting over 5,000 attendees each week. An upscale beer garden which offers Lodi's local brew is located adjacent from the entertainment stage. The stage hosts live music performed by local bands, along with dance performances, comedy acts and competitions. A wine garden featuring downtown's wine tasting rooms accompanied by music.



The entertainment also includes theme nights such as Hawaiian, Mardi Gras, Country Western and Patriotic, where there are free giveaways, contests and family fun. The Food Court accompanies the market offering a wide variety of choices including hot dogs, BBQ, salads, Philippine cuisine, snow cones, smoothies and more. A Kids Zone invites kids of all ages to jump in bouncing houses, get their face painted and interact with clowns, balloon artists and animals. The Farmers Market is Lodi's summer signature event that has something for everyone!

New Developments and Future Plans for Farmers Market

- Contracted with UCP for clean-up on early Friday mornings during the Farmers Market season. The increased attendance of the market has caused a need for added clean-up. The DLBP and UCP is committed to making downtown look clean and attractive after the market and in perfect time for the weekend welcoming out-of-town visitors and our community.

- Added a Wine Garden which highlights all four downtown wine tasting rooms; cellardoor, Grands Amis, Benson Ferry and Dancing Fox. The Wine Garden is set up on the North end of the market to stimulate more activity and to offer a variety of atmospheres.

- Is providing a photograph and copy each week to the Lodi News Sentinel profiling a Farmers Market vendor. The editorial piece is published in every Thursday's newspaper which increases visibility of the event.

DRAFT

Parade of Lights Overview

The Downtown Lodi Business Partnership presents the annual Parade of Lights – a magical holiday parade that illuminates the streets of downtown Lodi. The countless lights, floats, marching bands, dance groups and themed vehicles will entertain thousands of viewers on the first Thursday in December at 6:17 p.m. along the streets of downtown. The one mile route begins on Pine Street and continues down Church Street, Lodi Avenue, School Street and Locust.

A brilliantly lit horse-drawn carriage kicks off the festivities featuring the grand marshal. The spectacular parade concludes with holiday cheer from Santa Claus riding atop a Lodi fire truck.

Over 50,000 people of all ages line the streets of downtown. The Downtown Lodi Business Partnership invites all to be part of this signature event, Parade of Lights, which has become a cherished family tradition.



New Developments and Future Plans for Parade of Lights

- Working on creating even more exposure of the parade and encouraging tourism to Lodi by submitting event information and photos to a variety of publications and media in the Northern California region.

Grape Festival Youth Parade Overview

On the Saturday of the Grape Festival, the youth of Lodi parade the streets of downtown incorporating the theme of the event which takes place in September. Participants are given free entry into the Grape Festival the day of the parade, ribbons, goodie bags, snacks and the chance to win a trophy for win, place or show in various categories.

New Developments and Future Plans for Grape Festival Youth Parade

- To increase participation in the parade, over 10,000 applications were distributed to the elementary schools, churches and community service groups.
- To reduce costs, the DLBP is actively obtaining donations.



- Has developed a sponsorship package and is securing financial supporters increasing revenue to ensure the traditional event will persist.

- Scheduling walking vendors selling kettle corn, cotton candy, snow cones and more to create a more festive environment for the spectators.

- Is partnering with the Grape Festival to cross promote our events and to raise awareness of the event.

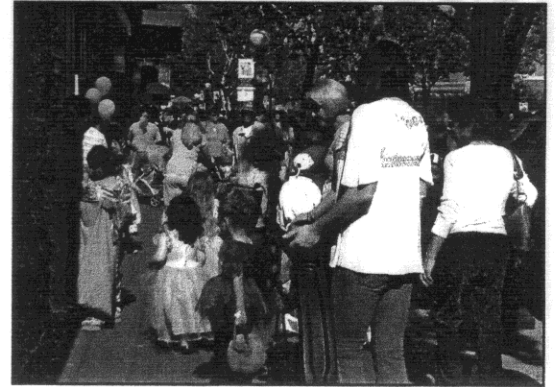
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Downtown Trick-or-Treat and Fall Festival Overview

The merchants downtown invite the community to trick-or-treat at their establishments on the Saturday before Halloween between 12 noon and 4 p.m. The Fall Festival has many family activities which include; live music, a food court, pumpkin painting, petting zoo, face painting and costume contests.

New Developments and Future Plans for Downtown Trick-or-Treat and Fall Festival

- Contacting local talent agencies, colleges and performing arts groups to find acts such as; stilt walking, unicycling and clowns to create a more of a carnival experience.
- Working with a church group to help put on traditional carnival games and contests.
- Contacting farmers to start a pumpkin contest; largest, strangest, etc.



Winterfest Overview

Downtown Lodi celebrates the holiday season throughout the month of December and decorates the streets with lights, a 25' Christmas tree, holiday banners and fresh swags assembled by local boyscouts on the street poles. On the first two Saturdays, a horse-drawn carriage offers rides for only \$1 per person and trots along the streets of downtown. The merchants downtown display their holiday spirit and compete for the best decorated window and lighted storefront.



New Developments and Future Plans for Winterfest

- Scheduling Christmas carolers to stroll the streets adding holiday ambiance.
- Encouraging merchants to host their holiday open houses on the scheduled Saturdays.
- Exploring the possibility of having homemade holiday craft vendors.

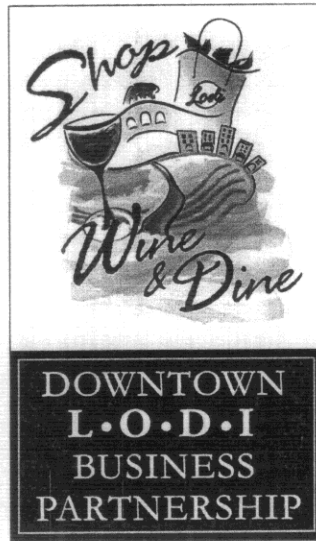
Annual "Stuck In Lodi" Car Show

The American Steel Car Club in conjunction with the DLBP hosts the annual "Stuck in Lodi" Car Show downtown in the month of August. Street rods and classic cars line the streets of downtown Lodi accompanied by a poker walk, live music, raffles, and awards.

Music in the Street

Downtown's newest event presented by Temple Baptist Church hosts a free concert on the Elm Street Starburst. The concert geared to the younger crowd on a Saturday night, provides a safe and entertaining evening.

DRAFT



MISSION STATEMENT

The Downtown Lodi Business Partnership, comprised of business owners, professionals and merchants, is a non-profit association developed to encourage growth and prosperity in the Downtown Community of Lodi, and to maintain its economic health on an on-going basis.

This will be accomplished by:

- Encouraging development of new businesses, while retaining and revitalizing existing businesses
- Promoting retail activity by creating and maintaining a quality environment through coordinated advertising and downtown events
- Serving as an advocate for downtown businesses in dealing with local government, maintenance projects, the media and general public

4 West Pine Street, Lodi, Ca 95240
209.369.8052 phone 209.369.8053 fax
www.downtownlodi.com

DRAFT



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER LEVY OF ANNUAL
ASSESSMENT FOR DOWNTOWN LODI BUSINESS
IMPROVEMENT AREA NO. 1**

PUBLISH DATE: SATURDAY, AUGUST 22, 2009


LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, AUGUST 20, 2009

**ORDERED BY: RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS	Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
	Phoned to confirm receipt of all pages at _____ (time) _____ CF _____ MB _____ JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER LEVY OF ANNUAL ASSESSMENT FOR DOWNTOWN LODI BUSINESS IMPROVEMENT AREA NO. 1

On Friday, August 21, 2009, in the City of Lodi, San Joaquin County, California, a copy of a Notice of Public Hearing to consider levy of annual assessment for Downtown Lodi Business Improvement Area No. 1 (attached hereto, marked Exhibit "A") was posted at the following four locations:


Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 21, 2009, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


**JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK**

**MARIA BECERRA
ADMINISTRATIVE CLERK**

NOTICE OF PUBLIC HEARING

RESOLUTION NO. 2009-117

**A RESOLUTION OF INTENTION TO LEVY ANNUAL ASSESSMENT FOR
DOWNTOWN LODI BUSINESS IMPROVEMENT AREA NO. 1, ESTABLISHING
PUBLIC HEARING DATE, AND APPROVING ANNUAL REPORT**

=====

WHEREAS, Downtown Lodi Business Improvement Area No. 1 was established December 17, 1997, by City Council adoption of ordinance 1654; and

WHEREAS, the annual report as required by Streets and Highways Code §536533 has been submitted to the Council by the Board of Directors of said improvement area.

NOW, THEREFORE, the City Council of the City of Lodi does hereby resolve, determine, and finds as follows:

1. Approves the Annual Report as submitted, said report being on file with the City Clerk.
2. Establishes **September 2, 2009, in the City Council Chambers, Carnegie Forum, 305 West Pine Street, Lodi, California, at 7:00 p.m.**, or soon thereafter as possible, as the date, place, and time to hold the public hearing required by Streets and Highways Code §36534.
3. It is the intention of the City Council to levy and collect assessments within the parking and business improvement area for calendar year 2010 (the Area's fiscal year).
4. The boundaries of the entire area to be included in the Area and the boundaries of each separate benefit zone within the area set forth in a Map, Exhibit D, incorporated herein by reference. A true and correct copy of the map is on file with the City Clerk of the City of Lodi.
5. The types of improvements and activities proposed to be funded by the levy of assessments on businesses in the Area include marketing and promotional efforts; event coordination; and other activities with the goal to promote retail activities. A detailed description of activities is include in the Annual Report, Exhibit A, and incorporated by reference.
6. At the time of the public hearing, written and oral protests may be made. The form and manner of protests shall comply with Streets and Highways Code § 36524 and 36525.

Date: August 19, 2009

=====

I hereby certify that Resolution No. 2009-117 was passed and adopted by the Lodi City Council in a regular meeting held August 19, 2009, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Johnson, Katzakian, Mounce, and Mayor Hansen

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Consider Authorizing City Manager to Enter into Memorandum of Understanding between NCPA and the City of Lodi Regarding the Lease, Development and Cleanup of the Lodi Energy Center Site.

MEETING DATE: September 2, 2009

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Authorize City Manager to Enter into Memorandum of Understanding between NCPA and the City of Lodi Regarding the Lease, Development and Cleanup of the Lodi Energy Center Site.

BACKGROUND INFORMATION: Staff has reached tentative agreements with NCPA staff regarding the lease for the Lodi Energy Center (LEC), purchase of recycled water, giant garter snake mitigation and the cleanup of residue from sludge deposited on the Lodi Energy Center site. As referenced, the negotiations are tentative and must be approved by the City Council and the LEC membership. The major terms of various tentative agreements are summarized below:

- A) Lease:
 - Rent: \$40,000 per year on top of existing STIG lease of \$20,310 annually.
 - 2.5% annual escalator.
 - Market Rate Adjustment every 10 years not to exceed +/- 25%.
 - Term: To 2043 with 50-year option.
 - City to relocate existing monitoring well at its expense.
- B) Water Supply:
 - LEC to purchase 1,600 acre feet per year (AF/Y), "take or pay" at \$600/AF (\$960,000/year).
 - LEC option to purchase additional 200 AF/Y at \$750 AF (up to \$150,000/year).
 - LEC option to buy water above 1,800 AF/Y at \$900/AF (unlikely to occur).
 - One time connection charge of \$300,000.
 - 2.5% annual escalator.
 - Market adjustment every 10 years maximum +/- 25%.
- C. Giant Garter Snake Mitigation:
 - City to dedicate 21 acres on northwest side of treatment plant and along Peripheral Canal alignment for Giant Garter Snake Habitat Remediation.
 - Price: \$24,000 per acre (Total \$504,000).
- D. Environmental Cleanup.
 - The LEC site was historically used to store sewer sludge, primarily during periods that the sludge ponds needed maintenance. It is possible that this storage caused several

APPROVED:

Blair King, City Manager

contaminants that have been found on site including metals, pesticides and combustion byproducts.

- NCPA and City staff have tentatively agreed to the following remediation program.
 - a) City to enter Voluntary Cleanup Agreement with Department of Toxic Substances Control (DTSC) and perform cleanup. City to pay consultant and DTSC costs currently estimated at \$100,000 to \$300,000.
 - b) LEC to excavate and load soil at its expense.
 - c) City to pay trucking and disposal costs currently estimated at \$320,000 to \$1.3 million.
 - d) LEC to front all cleanup costs as a credit against LEC's payment obligations to City.

FISCAL IMPACT: Up to \$1.6 million in costs in Year One offset by minimum revenue of \$1.8 million in Year One and minimum revenue of \$1 million in Year Two and following.

FUNDING AVAILABLE: Costs to be advanced by LEC as a credit against Year One and Two revenues.

Stephen Schwabauer
City Attorney



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Amending the Bylaws for the Lodi Improvement Committee to Reduce the Membership of the Committee From Nine to Seven

MEETING DATE: September 2, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Adopt a Resolution amending the Bylaws for the Lodi Improvement Committee (LIC) to reduce the number of positions on the committee from nine to seven.

BACKGROUND INFORMATION: On July 21, 2009, at a Special Meeting of the Lodi Improvement Committee, the members in attendance at that meeting voted unanimously to amend the LIC Bylaws to reduce the number of positions on the committee from nine to seven. The size of the committee is specified within the By-Laws for the LIC and therefore requires Council action to approve.

The reasoning behind their action was two-fold. There were occasions when the committee had to cancel meetings as they were unable to reach a quorum. They felt that if they reduced the number required to meet a quorum, from five with the nine-member committee, to four with the seven-member committee, there would be less likelihood of this occurrence. Second, the LIC currently meets in the Council Chambers at Carnegie Forum. With only seven seats on the dais, on several occasions members have had to awkwardly double-up at one of the seats. The committee felt it appropriate to make this reduction to match the available seating on the dais.

In the approval of this bylaw amendment, the LIC specified that the reduction in the membership should be achieved through attrition, as current members resign their position, fail to complete their terms, or do not seek reappointment at the end of their term.

To facilitate this change, the LIC approved the following changes to Article III, Section 2 of the Lodi Improvement Committee Bylaws:

ARTICLE III MEMBERSHIP

SECTION 2. BOARD OF DIRECTORS

Effective ~~April 1, 1994~~ July 21, 2009, pending approval by the Lodi City Council, the ~~fifteen (15)~~ nine (9) person Board of Directors ~~established by City Council action on March 17, 1993~~ shall, by attrition, be reduced to a ~~nine (9)~~ seven (7) member board. Such attrition shall occur by resignation, removal of directors currently serving, failure to complete their term or failure to

APPROVED: _____
Blair King, City Manager

seek reappointment at the end of their term. During and after the transition, a quorum of the Board for voting or meeting purposes shall consist of fifty percent (50%) plus one of all directors then serving on the Board. After transition is complete, directors shall continue to serve three year staggered terms, based on their original date of appointment.

The Lodi Improvement Committee is requesting that the City Council approve the proposed Bylaw amendments, referenced above.

FISCAL IMPACT: None

FUNDING AVAILABLE: N/A

Konradt Bartlam
Community Development Director

KB/jw

**LODI IMPROVEMENT COMMITTEE
SPECIAL MEETING MINUTES**

July 21, 2009

6:00 P.M.

ROLL CALL

BOARD		STAFF
<u>PRESENT</u>	<u>ABSENT</u>	
Robert Takeuchi (Chair)	Joe Spinelli	Joseph Wood, CDD
Stephen Jarrett (Vice-Chair)	Eileen St. Yves	Araseli del Castillo, CDD
Rosie Ortiz (Treasurer)	Reyes Jaramillo	
Tim Mustin		
Sunil Yadav		
Fran Forkas		

MINUTES

June 9, 2009 – Regular Meeting

Mr. Forkas motioned to approve, Mrs. Yadav seconded.

Approved 6-0

TREASURER'S REPORT

Ending balance is \$730.13

Mr. Forkas motioned to approve, Mr. Mustin and Mr. Yadav second it.

Approved 6-0

ANNOUNCEMENTS/PRESENTATIONS

Mr. Wood announced if anyone will like to speak to come to the podium.

Mrs. Spinelli mentioned she is the wife of Joe Spinelli and she is here on Mr. Spinelli's behalf. Mr. Spinelli has been in poor health for several months and has been unable to attend the monthly meetings. Rather it be deemed he vacated his position he has decided to resign. I am here tonight to present you with his letter of resignation. She states that Mr. Spinelli asks if his health improves he is hoping that some day he will be able to serve on the committee.

Mr. Takeuchi replied to please extend our regards to Joseph.

Mr. Takeuchi stated Mr. Wood will obtain a certificate for Mr. Spinelli thanking him for his time served on the committee.

AGENDA ITEMS

A. Proposed Amendment of By-Laws

Mr. Wood stated the committee would like to consider amending the by-laws to reduce the size of the committee from nine members to seven. It is recommended that be done through a attrition in such fashion that the position only be lost if someone failed to complete their term, they resigned or they failed to re-up for reappointment. Mr. Wood has the suggested language in the staff report to say:

Article III Membership
Section 2, Board of Directors

Effective July 21, 2009, pending approval by the Lodi City Council, the nine (9) person Board of Directors shall, by attrition, be reduced to a seven (7) member board. Such attrition shall occur by resignation, failure to complete their term or failure to seek reappointment at the end of their term. During and after the transition, a quorum of the Board for voting or meeting purposes shall consist of fifty percent (50%) plus one of all directors then serving on the Board. After transition is complete, directors shall continue to serve three year staggered terms, based on their original date of appointment.

Mr. Takeuchi asked Mr. Wood if this has to go before City Council has to approve this before it goes effective.

Mr. Wood replied yes.

Mr. Takeuchi stated he believes the struck language should be added back in after the added language. (Shall occur by resignation, failure to complete their term or failure to seek reappointment at the end of their term or removal of directors currently serving.) Mr. Takeuchi also stated that the quorum it shall consist of fifty percent (50%) not 50% plus one.

Mr. Forkas replied the problem is you only have 50% of the quorum and not a majority.

Mr. Wood replied exactly.

Mr. Jarrett asked Mr. Wood if he would ask the City Attorney his understanding of what a quorum is.

Mr. Wood replied yes.

Mr. Takeuchi would like to attain a motion to approve the change to the by-laws. Add back in the language that was removed defining attrition and the 50% plus one which we now have an understanding of what that is. That will be approved subject to what Mr. Wood learns from the City Attorneys office.

Mr. Jarrett motioned, Mr. Forkas 2nd it.

Approved 6-0

B. Follow up on Action/Issues from Previous Meetings

Eastside Summit

Mr. Wood stated on June 16, the City Manager met with the following City Staff: City Clerk Randi Johl, Deputy City Manager Jordan Ayers, Communications Specialist Jeff Hood, Community Development Director Rad Bartlam, Public Works Director Wally Sandelin, and Neighborhood Services Manager Joseph Wood. The purpose of the meeting was to discuss how to address the Eastside Summit issue. They are also planning a Downtown Summit so it is a matter of which one do we have first.

Mr. Wood stated the meeting would be a one time event rather than a series of public forums that would consist of would be an opening session. They see being able to break out into work groups, discussion groups and come back together to bring any issues. It was also suggested this would probably best be facilitated with a consultant. A suggestion was made at the meeting for someone to reach out to one of the principals at MIG which is the consulting firm who worked with the City for the EMAP process. This will provide a third party mediator.

Mr. Wood stated there was follow up meeting with Dan Iacofano, a Founding Principals of MIG. In the session he did provide a great deal of information and ideas which helped move the concept along. It was Mr. Iacofano's suggestion that this event be done in conjunction with some type of existing community fair. One that came to mind was Celebration on Central. They already have a good gathering of people. There will be some follow up meetings and I will provide information from those meetings.

Mr. Mustin mentioned that Mr. King is going to take over the Eastside Summit issue and if that is the conclusion what is our next step. Mr. Mustin stated what are we here to do if we are not to inform the people in the Eastside and help them make their life better. If we are not going to do anything then why am I here when I can be hanging out with my kids. My thought is to see where things go with Mr. King with him leading it and support him when we can. There after continue to push to have some type of meeting like this.

Mr. Jarrett replied we can enter our resignations as a body and say if you do not allow the Lodi Improvement Committee to do what it is designed to do then there is no need for us.

Mr. Wood stated you can write a letter voicing your frustration.

Mr. Takeuchi mentioned that by writing a letter venting every ones frustration is the wrong approach unless we are willing to do more than that and say more than that. Mr. Takeuchi stated if we are going to say we don't want this anymore we have to be strong and do more than just complain.

Mr. Takeuchi stated he would like to entertain a motion to have Mr. Yadav be our representative at any future meetings.

Mr. Takeuchi asked Mr. Wood if he knew the fee the consultant is going to be paid.

Mr. Wood replied no.

Mr. Takeuchi asked Mr. Wood if he knew where the funds were going to come from.

Mr. Wood replied no.

Mr. Takeuchi asked Mr. Wood that prior to entertaining a motion can he ask if Mr. Yadav can attend the meeting.

Committee Membership

DEPARTMENT REPORTS

A. Community Development

*** Planning Commission**

Mr. Wood mentioned that in the past with Community Development Department we provided some basic information when a Use Permit application for alcohol-related or live entertainment on the Eastside and around the City that would be a concern. With what I am provided it does not give you enough to act on at our meetings. From now on I will provide you with what applications have been received and if there is any specific use permit application alcohol or live entertainment related. If there is an interest I can retrieve additional information.

17 W. Pine St. – Live Entertainment Use Permit – Zin Lounge
1220 E. Victor Rd. – Off Sale Wine Use Permit – Donatelli Cellars LLC

*** Planning Commission – Past Action**

17 W. Pine St. – On Sale Alcohol Use Permit – Zin Lounge
Approved
2 W. Lockeford – Winery Use Permit – Estate Crush
Approved

*** Neighborhood Services Division**

Mr. Wood stated the key project is the Alley Drainage Improvement Project. Mr. Forkas has been actively working with Public Works staff on what projects site and locations are to be addressed. Public Works is offering a recommendation of a specific designed called the valley gutter. It is more expensive because there is a lot more cement involved but it provides the most effective drainage.

Affordable Senior Housing Project Update

A community meeting was held on Tuesday, July 14th, in the Carnegie Forum. We invited Pyatok Architects provided a preliminary design. We invited residents between Mills

We are scheduled to go to City Council on August 5th, to authorize an Exclusive Right to Negotiate agreement with Eden Housing

Neighborhood Stabilization Program (NSP) Funding

A. Police Department

- * **District/Watch Commander
Community Improvement/Code Enforcement**

B. Public Works

Lodi Avenue Improvement Project

COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS (5 minute limit per speaker)

Marge Stewart mentioned she called the City regarding the water running from 11:30 a.m. to 3:30 p.m. She states they could have swam in the gutters. She stated maybe something needs to be posted in the news paper.

COMMENTS FROM BOARD MEMBERS on Non-Agenda Items (5 minute limit per speaker)

Mr. Takeuchi mentioned the Lodi Adopt A Child is holding a golf tournament.

Mr. Yadav mentioned a city employee came to his property and removed garage sale signs posted on the poles.

NEW BUSINESS

A. Topics for Upcoming meetings

- Rental Property Inspection Program – August
- Affordable Housing

Lodi Improvement Committee
Meeting Minutes
Tuesday, July 21, 2009
Page 6 of 6

ADJOURNMENT

There being no further business before the Committee, it was, on motion duly made by Mr. Takeuchi adjourned at 7:41 p.m.

Respectfully submitted,
ARASELI DEL CASTILLO, Recording Secretary

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING AMENDMENTS TO THE BYLAWS FOR
THE LODI IMPROVEMENT COMMITTEE

=====

WHEREAS, the members of the Lodi Improvement Committee (LIC) wish to change the language in Article III, Section 2 of the By-laws pertaining to the number of positions on the committee; and

WHEREAS, by reducing the number of positions on the committee from nine to seven, the LIC felt that it will be easier to achieve a quorum at their meetings and by reducing to seven they would be better accommodated upon the dais; and

WHEREAS, the LIC specified that the reduction should be achieved through attrition, as current members resign their position, fail to complete their terms, or do not seek reappointment at the end of their term; and

WHEREAS, at a Special Meeting held on July 21, 2009, the LIC voted and approved said amendments to the By-laws and hereby respectfully submits the amended By-laws to the Lodi City Council for its review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the amendments to the bylaws for LIC, changing language pertaining to the number of positions on the committee, as shown on Exhibit A attached and made a part of this Resolution.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____

BYLAWS OF

THE LODI IMPROVEMENT COMMITTEE

ARTICLE I
ORGANIZATION

SECTION 1.

Under the auspices of the City of Lodi, there is hereby created the Lodi Improvement Committee.

ARTICLE II
PURPOSES

SECTION 1. GENERAL PURPOSE

The Lodi Improvement Committee is organized and created for the purposes of maintaining and improving the quality of life and appearance of Lodi by the coordinated efforts of a broad spectrum of the community.

SECTION 2. SPECIFIC GOALS/PURPOSES

- A) To combat illegal drugs, prostitution, and other crimes by such measures as cooperation with or establishment of groups such as Crime Stoppers and Neighborhood Watch.
- B) To eliminate blight and encourage the maintenance, improvement, or rehabilitation of properties throughout Lodi, with the cooperation of residents, property owners, business, and government.
- C) To act as an advocate for residents in issues dealing with the upgrade, improvement and maintenance of all infrastructure, including streets, alleys, water, sewer and storm drainage systems.
- D) To encourage compliance with building, housing, fire, and other health and safety laws, and local property maintenance ordinances by property owners, residents, and businesses.
- E) To coordinate with churches, civic and community groups, and other community based organizations to educate and inform the public on ways of achieving these goals, and to keep the public informed of the efforts.
- F) To work with business community to encourage a healthy business climate.
- G) Provide acknowledgement to properties and businesses throughout the City that show marked improvements in service and appearance that contributes to the image and quality of the community.

ARTICLE III
MEMBERSHIP

SECTION 1. GENERAL MEMBERSHIP

General membership shall be open to all persons.

SECTION 2. BOARD OF DIRECTORS

Effective July 21, 2009, the nine (9) person Board of Directors shall, by attrition, be reduced to a seven (7) member board. Such attrition shall occur by resignation or removal of directors currently serving, failure to complete their term or failure to seek reappointment at the end of their term. During and after the transition, a quorum of the Board for voting or meeting purposes shall consist of fifty percent (50%) plus one of all directors then serving on the Board. After

transition is complete, directors shall continue to serve three year staggered terms, based on their original date of appointment.

SECTION 3. SUBCOMMITTEES

There may be as many subcommittees as deemed necessary by the Board to accomplish any specific goal to be achieved by the Improvement Committee.

ARTICLE IV OFFICERS

SECTION 1. EXECUTIVE OFFICERS

The Executive Officers shall consist of a Chairperson, Vice-Chairperson, and Treasurer. New officers shall be elected by the Board annually at the first meeting in April.

SECTION 2.

The Chairperson or Vice Chairperson shall serve as spokesperson for the Lodi Improvement Committee and liaison with the Lodi City Council.

SECTION 3.

Any Executive Officer or Board of Directors member who misses three (3) unexcused meetings within a one year period without the consent of one of the Executive Board Members shall be deemed to have vacated the office.

ARTICLE V FINANCIAL MATTERS

SECTION 1. REVENUES

All revenues of the Lodi Improvement Committee shall be administered through a bank account, to be monitored by the City of Lodi and into which all donations, gifts, or other revenues raised by the Lodi Improvement Committee shall be placed. All expenditures must be approved by a majority vote of the Board, subject to City Council overview and signed by Treasurer and one Executive Officer.

SECTION 2. AUDITING

The fund account for the Lodi Improvement Committee shall be audited as part of the City's regular annual audit and quarterly expenditures reports will be submitted by the Treasurer to the Finance Department of the City of Lodi.

ARTICLE VI TERM OF EXISTENCE/DISSOLUTION

SECTION 1. CONTINUOUS OPERATION

The Lodi Improvement Committee shall continue and be permanent until dissolved by action of the City Council or the Improvement Committee Board of Directors.

ARTICLE VII
BOARD PROCEDURES

SECTION 1. PROCEDURES

After the transition described in Article III, Section 2 above is complete, five Board Members shall constitute a quorum and may conduct business at any regular meeting. A majority of those present may act by affirmative vote. No proxy voting is allowed.

SECTION 2. MEETING

Regular meetings of the Board shall be held once a month, on the second Tuesday of each month, at a location to be determined by the Board and opened to the public. Special meetings shall be held as necessary. All meetings shall be subject to the provisions of the Ralph M. Brown Act (Gov. Code §54950 et. Seq.),

SECTION 3. COMMUNICATIONS

All external communications to the public or media shall be through or authorized by the Chairperson, or in his/her absence, by the Vice-Chairperson or a designated Board Member.

ARTICLE VIII
AMENDMENTS

SECTION 1.

These Bylaws shall constitute the empowering documents for the Lodi Improvement Committee and may be revised by the City Council or a majority vote of the Board of Directors, at a regular meeting previously announced for the purpose, subject to ratification by the Lodi City Council.

ADOPTED BY CITY COUNCIL VOTE ON SEPTEMBER 2, 2009, RATIFIED BY MAJORITY VOTE OF THE LODI IMPROVEMENT COMMITTEE ON JULY 21, 2009.

CHAIRPERSON

APPROVED AS TO FORM

D. STEPHEN SCHWABAUER
CITY ATTORNEY



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2008/09

MEETING DATE: September 2, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution approving the Impact Mitigation Fee Program Annual Report for Fiscal Year 2008/09.

BACKGROUND INFORMATION: The City's Development Impact Mitigation (IM) Fee program consists of eight separate fee categories/funds, plus the public art set-aside. They are Water, Wastewater, Streets, Storm, Police, Fire, Parks and Recreation and General City Facilities. The fees can only be used for new capital improvements/equipment needed to accommodate new growth. The fees were established in 1991 and updated last in 2006.

In accordance with California State annual reporting requirements, staff has prepared the following exhibits:

Exhibit A – A summary of the current and past fees, beginning and ending balances for each fee account, total fees collected, interest earned, and total expenditures from each account for FY 2008/09.

Exhibit B – A summary by account of public improvement projects on which fees were expended during FY 2008/09.

In general, revenues for the prior fiscal year fell under budget estimates. Shortfalls generally do not affect operations as all the funds are for capital improvements and associated costs (such as engineering). An exception is the Wastewater IM Fund that is obligated to pay approximately \$1.8 million per year for White Slough Water Pollution Control Facility Improvements. As previously reported to the Council, future revenues to the Wastewater IM Fund (entirely from redevelopment and new development) are expected to fall short of the debt service payments for the next four years by an accumulative amount of approximately \$5.0 million. Wastewater rates are the source of funding being used to cover the shortfall. It is projected to take an additional five years beyond the next four before the rates are reimbursed from future development revenues.

Revenue from some of the funds is being used to reimburse other funds for costs of past projects that were advanced ahead of the funds being available. These include a \$1.225 million loan from the Water IM Fund to the Fire IM Fund for construction of Fire Station No. 4. This loan is not expected to be repaid for 20 years or longer. Additionally, the Parks IM Fund has loaned \$278,000 to the Streets IM Fund that will be repaid this fiscal year.

APPROVED: _____
Blair King, City Manager

In the coming fiscal year, new projects funded by the IM program will be brought forward in the storm drainage, parks, and water areas. With the exception Water Well No. 28, the improvements will be funded by the various IM fund balances. Water Well No. 28 is an important water project that will be recommended for funding via a loan from the Water Capital Fund but by a separate action of the Council.

Per State law, this information needs to be available to the public at least 15 days prior to review by the City Council. This information has been posted on the City's website and media, such as the *Lodi News Sentinel* and the *Stockton Record*, have been notified as to where to obtain the report.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

F. Wally Sandelin
Public Works Director

Prepared by Rebecca Areida, Management Analyst

FWS/RA/pmf

Attachments

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE IMPACT MITIGATION FEE
PROGRAM ANNUAL REPORT FOR FISCAL YEAR
2008-09

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the Impact Mitigation Fee Program Annual Report for fiscal year 2008-09, as shown on Exhibits A and B attached and made a part of this Resolution.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____

	A	B	C	D	E	F	G	H	I	J	K
1	EXHIBIT A										
2	IMPACT MITIGATION FEE PROGRAM										
3	FY 2008/09 Annual Report										
4											
5											
6	Fee:	Wastewater	Water	Storm Drain	Streets	Regional Transp	Police	Fire	Parks & Rec	General Facilities	Art in PP
7	Fund # :	173	182	326	332	338	1215	1216	1217	1218	1214
8											
9	Fee Amount 7/1/08 - 12/31/08 (1)	5,356	5,046	18,454	14,355	2,837	1,983	1,938	27,868	8,012	2%
10	Fee Amount 1/1/09 - 6/30/09 (1)	5,785	5,334	19,508	15,175	2,837	2,097	2,049	29,461	8,470	2%
11											
12	Fund Balance - Beginning of Year	9,031,689.53	1,258,481.90	3,887,127.11	471,796.14	589,494.85	261,521.39	(1,358,011.53)	3,079,605.58	311,391.95	420,274.93
13											
14	Revenues:										
15	Investment Revenues	235,705.51	(6,619.81)	123,663.97	26,737.91	20,139.98	9,181.51	(3,381.56)	81,164.24	7,534.42	9,221.64
16	Impact Mitigation Fees	261,889.39	13,086.43	178,207.70	33,984.36	102,812.15	5,735.32	4,970.34	50,268.98	9,526.11	6,137.17
17	Other Revenue		6,750.00	115,970.00	231.57						
18											
19	Total Revenue	497,594.90	13,216.62	417,841.67	60,953.84	122,952.13	14,916.83	1,588.78	131,433.22	17,060.53	15,358.81
20											
21											
22	Expenditures:										
23	Capital Projects	(372,757.96)	(502,135.03)	(310,895.69)	(473,489.69)	(46,522.97)	0.00	0.00	0.00	(389,196.76)	(166,333.83)
24											
25	Total Expenditures	(372,757.96)	(502,135.03)	(310,895.69)	(473,489.69)	(46,522.97)	0.00	0.00	0.00	(389,196.76)	(166,333.83)
26											
27											
28	Other Sources (Uses):										
29	Operating Transfers In										
30	Operating Transfers Out	(7,076,961.00)			(96,105.96)						
31											
32	Total Other Sources (Uses)	(7,076,961.00)	0.00	0.00	(96,105.96)	0.00	0.00	0.00	0.00	0.00	0.00
33											
34											
35	Total Fund Balance - End of Year	\$2,079,565.47	\$ 769,563.49	\$3,994,073.09	(\$36,845.67)	665,924.01	\$276,438.22	(\$1,356,422.75)	\$3,211,038.80	(\$60,744.28)	\$269,299.91
36	Change in Receivables/Payables (2)	(6,899.69)	11,727.92	16,529.11	402.83	(2,209.44)	(917.18)	435.47	(9,730.12)	51,481.71	(893.50)
37	Interfund Loans		(1,225,172.57)		278,385.00			1,225,172.57	(278,385.00)		
38	Cash Balance - End of Year	\$2,072,665.78	\$ (443,881.16)	\$4,010,602.20	\$241,942.16	\$663,714.57	\$275,521.04	(\$130,814.71)	\$2,922,923.68	(\$9,262.57)	\$268,406.41
39											
40		(1) Fees listed are per acre for one Residential Acre Equivalent (RAE). Each land use									
41		presents a different demand for services that are reflected in RAE adjustment factors per LMC 15.64.070.									
42		RTIF fee listed is for one residential single family dwelling unit equivalent.									
43		Wastewater fees listed are per dwelling unit equivalent									
44											
45		(2) Difference between investments and accounts/retainages payable									

Cell: B30

Comment: Transfer to Operations Fund 170 and White Slough Capital Fund 172 for past debt service

Cell: E30

Comment: Final COG loan payment for Hwy 12/99 project.

Cell: C37

Comment: Loan to Fire IMF for Fire Station #4 project.

Cell: E37

Comment: Loan from Parks & Rec IMF for Lower Sacramento Rd project

Cell: H37

Comment: Loan from Water IMF for Fire Station #4 project.

Cell: I37

Comment: Loan to Regional Street IMF for Lower Sacramento Rd project.

EXHIBIT B
IMPACT MITIGATION FEE PROGRAM
SUMMARY OF PUBLIC IMPROVEMENT PROJECT EXPENDITURES
FY 2008/09

Project No.	Account No.	Description	Wastewater 173	Water 182	Storm Drain 326	Streets 332	RTIF 338	Police 1215	Fire 1216	Parks & Rec 1217	General Facilities 1218	Art in Public Pl 1214
		173010 GPS Control Grid	14,666.24									
		173050 Collection Master Plan	56,016.55									
		173356 MSC Fleet Services Shop	302,075.17									
		182004 Vintner's Square		42,031.00								
		182005 Surface Water Design		92,020.01								
		182010 GPS Control Grid		14,666.25								
		182013 Sacramento Street Water Main		43,657.42								
		182356 MSC Fleet Services Shop		303,562.53								
		182463 Well #27		3,031.94								
		182465 Well #28		3,165.88								
MWWI003												
		326004 Vintner's Square			221,835.90							
		326010 GPS Control Grid			14,666.25							
		326017 G-Basin			74,393.54							
MSDI017												
		332004 Vintner's Square				158,978.60						
		332010 GPS Control Grid				14,666.26						
		332356 MSC-Fleet Services Shop				299,844.83						
		338501 Regional Transportation Fees (SJ County, SJCOG)					46,522.97					
		1214005 Celebrate the Harvest										38,250.00
		1214006 Sacramento Street Mural										46,000.00
		1214007 Better Days										64,500.00
		1214008 Project Lodi Art										3,583.83
		1214009 Japan town mural										14,000.00
		1218003 Library Phase I Remodel									121,683.24	
		1218050 General Plan									267,513.52	
Total			372,757.96	502,135.03	310,895.69	473,489.69	46,522.97	0.00	0.00	0.00	389,196.76	166,333.83



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving City of Lodi's Sewer System Management Plan (SSMP) and Approving Staffing Additions

MEETING DATE: September 2, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution approving the City of Lodi's Sewer System Management Plan and approving staffing additions

BACKGROUND INFORMATION: The State Water Resources Control Board adopted on May 2, 2006, the Statewide General Waste Discharge Requirements (GWDR) as required by Order No. 2006-0003. The Order requires that all public collection systems composed of more than one mile of pipeline be regulated. The purpose of the Order is to protect the State's water from wastewater discharges associated with periodic collection system failures. The Order requires that each operator of a publicly-owned collection system develop and implement a system-specific Sewer System Management Plan (SSMP). The purpose of the plan is to assure proper funding and management of sanitary sewer systems statewide. Compliance with the Order is also a provision of the City's Waste Discharge Permit for the White Slough Water Pollution Control Facility, adopted in September 2007. Resolution No. 2007-217 was adopted by the City Council on November 7, 2007, approving the City's SSMP work plan and schedule.

The 11 required elements of the SSMP and the status of each are presented below:

1. **Collection System Management Goals:** The goals of the plan are identified and completed.
2. **Organization of Personnel:** The organization of staff is completed.
3. **Legal Authority for Permitting Flows to the System:** The legal authority for the City is established in the Lodi Municipal Code; however, some modifications to the code may be required to implement the City's plan.
4. **Operations and Maintenance Activities:** The operation and maintenance program has been implemented, although regular improvements are anticipated as part of the plan.
5. **Design and Performance Provisions:** The City's design and construction standards have been completed and will be reviewed and updated on an ongoing basis.
6. **Overflow Emergency Response Plan:** The City's Sanitary Sewer Overflow Response Plan has been completed and will be regularly reviewed as part of the plan.
7. **Fats, Oils and Grease Program:** The City's Fats, Oils, and Grease (FOG) program is in place but could be more comprehensive. Enhancements to the program will be made over time.
8. **System Capacity Assurance:** The City staff has completed a System Capacity and Assurance Plan. This plan identified current and future improvement needs within the collection system.
9. **System Monitoring and Measurement Plan:** The monitoring, measuring, and program modifications are identified but will require review and updating on an ongoing basis.
10. **Internal SSMP Audits:** The SSMP audits are based on assessments of the implementation and progress of the plan and, therefore, will be prepared after several months of operation of the plan.
11. **SSMP Public Communications Program:** This component has been identified as an area requiring improvement.

APPROVED: _____
Blair King, City Manager

The purpose of the Order is to assure that the City is adequately educating and informing the public about the wastewater collection system status and is performing proper operations and maintenance activities. Adoption of the SSMP is the final step in complying with the Order. Proper funding and management of the City's wastewater collection system will be an ongoing City requirement to fully comply with the GWDR. The cost of compliance and the budget impact to the Wastewater Utility have been anticipated in the Wastewater Model.

In order to implement the SSMP and other requirements of the City's Waste Discharge Permit, staff has previously advised Council that staffing additions in the Wastewater Utility would be required. Council is requested to approve the addition of an Environmental Compliance Inspector, Plant and Equipment Mechanic, and Management Analyst.

The Environmental Compliance Inspector will fill a crucial compliance monitoring role related to the monitoring of the SSMP and to reduce sanitary sewer overflows within the collection system. Estimated annual cost for this position is \$105,000.

The Plant and Equipment Mechanic will be dedicated to service at White Slough Water Pollution Control Facility and is required to service and repair the new equipment added during the recently-completed expansions to the plant. The estimated annual cost for this position is \$95,000.

A new Management Analyst position will service both the Water and Wastewater Utilities. The duties of the position include monitoring and maintaining the financial models, tracking the budget performance of the utilities, and implementing a public outreach program for the water, wastewater and solid waste utilities. The estimated cost for this position is \$90,000 and would be shared by the water and wastewater utility.

The wastewater and water rate models include the costs for these added positions. The costs will be incorporated into this year's budget at the mid-year budget adjustment.

A copy of the Sewer System Management Plan Report is on file at the Public Works Department, and a copy was previously provided to the City Council.

FISCAL IMPACT: The SSMP, as implemented over time, will continually identify operational and capital needs to minimize sanitary sewer overflows. It is anticipated that these needs and costs will be addressed in future budgets.

FUNDING AVAILABLE: Added staffing costs to be incorporated via mid-year budget adjustment.

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL ADOPTING
THE CITY'S SEWER SYSTEM MANAGEMENT PLAN AND
APPROVING STAFF ADDITIONS

=====

WHEREAS, the State Water Resources Control Board adopted the Statewide General Waste Discharge Requirements (Order No. 2006-0003) on May 2, 2006. The Order requires that all public collection systems comprised of more than one mile of pipeline be regulated; and

WHEREAS, the Order requires that each operator of a publicly-owned collection system develop and implement a system-specific Sewer System Management Plan. The purpose of the plan is to assure proper funding and management of sanitary sewer systems statewide. Compliance with the Order is also a provision of the City's Waste Discharge Permit for the White Slough Water Pollution Control Facility, adopted in September of 2007. Resolution No. 2007-217 was adopted by the City Council on November 7, 2007, approving the work plan and schedule for the City's Sewer System Management Plan; and

WHEREAS, adoption of the Sewer System Management Plan is the final step in complying with the Order; and

WHEREAS, in order to implement the Sewer System Management Plan and other requirements of the City's Waste Discharge Permit, staffing additions will be required.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby adopt the City of Lodi's Sewer System Management Plan; and

BE IT FURTHER RESOLVED that the City Council does hereby approve the addition of an Environmental Compliance Inspector, Plant and Equipment Mechanic, and Management Analyst.

Dated: September 2, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 2, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk